REPORT OF THE BOARD OF DIRECTORS AND FINANCIAL STATEMENTS

2024

MEHILÄINEN

EST. 1909

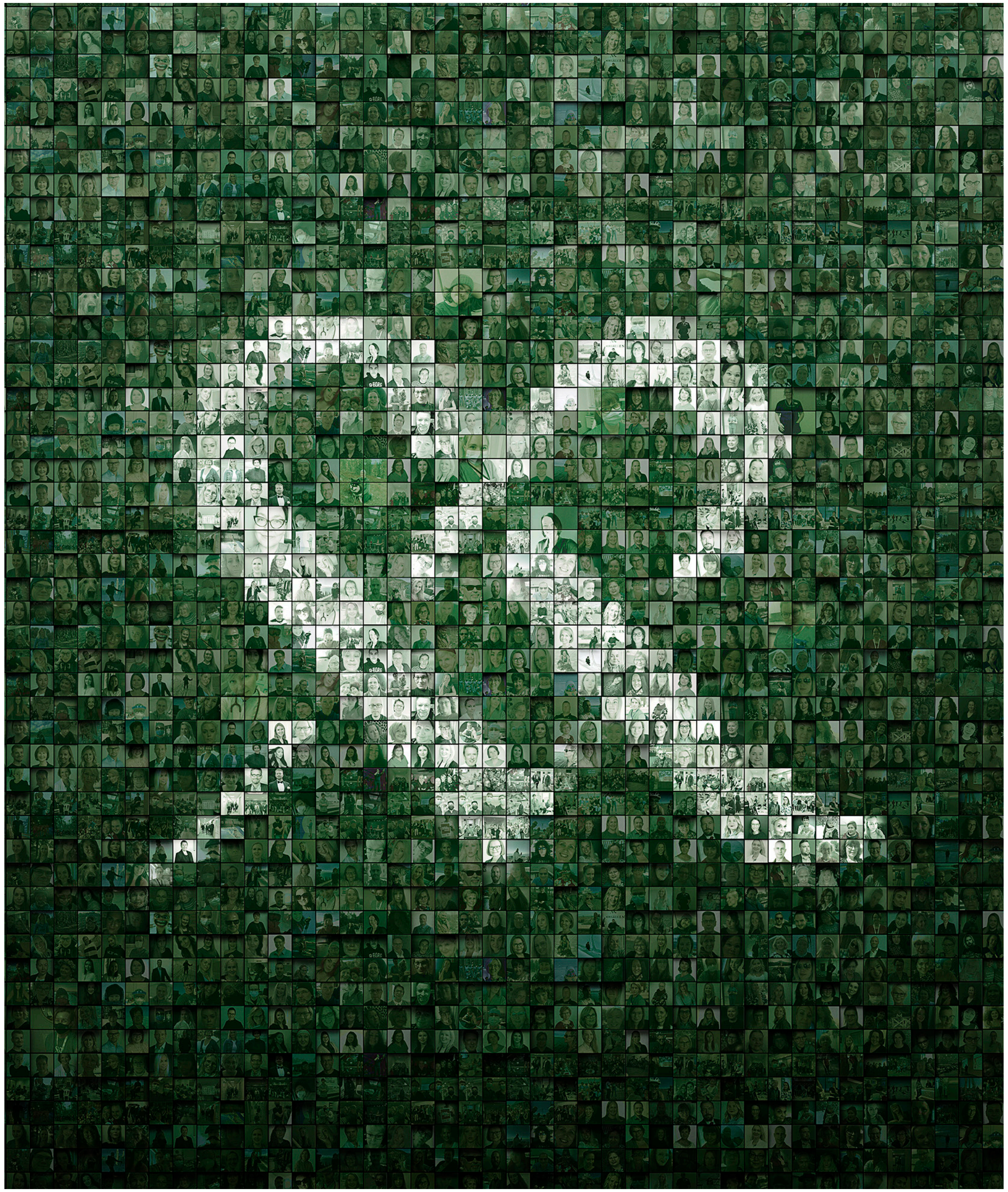
MEHILÄINEN IN BRIEF

Better health and well-being

Mehiläinen is a well-known and highly respected private provider of social care and healthcare services, operating in Finland, Estonia, Sweden, and Germany.

Number of employees and private practitioners	Number of units	Total number of customers at Mehiläinen	Visits to physicians
37,000	**890**	**2.2 million**	**5.1 million**

OmaMehiläinen users	Number of beds in social care services	Revenue (EUR million)	Revenue growth
2 million	**8,200**	**2,063.5**	**11.5%**



CONTENTS

REPORT OF THE BOARD OF DIRECTORS 4
Group's financial information 4
Non-financial information 13
Group key figures 19

CONSOLIDATED FINANCIAL STATEMENTS (IFRS)* 23
Consolidated statement of income 23
Consolidated statement of comprehensive income 23
Consolidated statement of financial position 24
Consolidated statement of changes in equity 25
Consolidated statement of cash flows 27
Notes to the Consolidated Financial Statements 28
1. General accounting principles 28
1.1 Company information 29
1.2 Basis of preparation 29
1.3 Changes in accounting principles 30
1.4 Adoption of new and amended standards and interpretations 30
1.5 Critical accounting estimates and assumptions 31
2. Financial performance 32
2.1 Revenue 32
2.2 Other operating income 35
2.3 Materials and services 35
2.4 Employee benefit expenses 36
2.5 Other operating expenses 37
3. Operating assets and liabilities 38
3.1 Right-of-use assets 38
3.2 Inventories 40
3.3 Trade and other receivables 40
3.4 Cash and cash equivalents 40
3.5 Trade and other payables 41
3.6 Provisions 41
4. Acquisitions and capital expenditure 42
4.1 Acquisitions and disposals 42
4.2 Intangible assets 46
4.3 Property, plant and equipment 48
4.4 Depreciation, amortisation and impairment losses 50
4.5 Impairment testing 51
5. Financing and capital structure 53
5.1 Capital management 53
5.2 Equity 54
5.3 Financial risk management 55
5.4 Financial assets and liabilities 59
5.5 Finance income and expenses 65
5.6 Contingent liabilities and commitments 66
6. Group structure 67
6.1 Subsidiaries 67
6.2 Associated companies and joint arrangements 71
7. Other notes 72
7.1 Income taxes 72
7.2 Deferred tax assets and liabilities 74
7.3 Related parties and key management remuneration 76
7.4 Events after the balance sheet date 77

PARENT COMPANY'S FINANCIAL STATEMENTS (FAS)* 78

SIGNATURES* AND AUDITOR'S REPORT 86

* Part of statutory Financial Statements

GROUP'S FINANCIAL INFORMATION

Mehiläinen is a well-known and highly respected private provider of healthcare and social care services, offering comprehensive high-quality services in Finland, Estonia, Sweden and Germany as well as digital healthcare software solutions through its subsidiary BeeHealthy mainly in Europe, Middle East and Africa. Healthcare Staffing Solutions, a subsidiary specialised in international recruitment, operates in Asia.

115-year-old Mehiläinen is a rapidly developing and growing pioneer in the industry. The group invests in the possibilities of digitalisation as well as in the effectiveness and quality of care across all its business areas. Mehiläinen serves annually 2.2 million customers, and its 890 locations are staffed by a total of over 37,000 employees and private practitioners.

Mehiläinen Group ("Group" or "Mehiläinen") consists of Mehiläinen Konserni Oy ("parent company") and its subsidiaries in Finland and abroad.

Operating environment

The year 2024 was a year of stable growth and development for Mehiläinen's business. In 2024, inflation stabilized compared to previous year and the employment rate slightly decreased from last year. The deficit of the public sector and wellbeing services counties continued to grow from last year. Ongoing international conflicts, such as Russia's war of aggression in Ukraine and crises in the Middle East, continued, although the direct impacts of the conflicts on Mehiläinen's operating environment and business were minimal during the current year.

The wellbeing services counties, which began operations at the beginning of 2023, struggled with significant financial challenges. The funding granted to them by the state is insufficient to cover operational costs, and the obligation to cover the wellbeing services counties' budget deficits by the end of 2026 is challenging in many areas. The tight financial situation of the wellbeing services counties and increased competition also reflect on Mehiläinen's operating environment. During 2024, the wellbeing services counties have tightened the criteria for access to care and reduced the purchase of services from private providers. Despite the challenging situation, our long-term cooperation with the wellbeing services counties has continued smoothly.

The government program of the government elected in Finland in the spring of 2023 contains many entries and objectives concerning healthcare. These entries and objectives aim to strengthen the cooperation between private and public healthcare to improve the effectiveness and cost-efficiency of the service system. On October 9, 2024, the government decided to reform the Kela reimbursement system in 2025. The aim is to more strongly target Kela reimbursements to, among other things, doctor visits that are less available in public healthcare. The Kela reimbursements for fertility treatments will be restored at increased rates. A national freedom of choice trial will be launched for those over 65 years old. The personal doctor model will also be explored, and in connection with this, the government will implement a personal doctor model trial. During the government term, 500 million euros will be available for the reforms of the Kela reimbursement system, of which the state's funding share is 335 million. The government aims to improve service availability and increase freedom of choice by reallocating reimbursements. Other legislative barriers in the wellbeing services counties will also be dismantled to facilitate procurement from private service providers.

The staffing ratio under the Elderly Services Act for enhanced service housing and long-term institutional care for elderly individuals has varied over the years. According to the government's proposal in September 2024, the minimum staffing ratio in units providing 24-hour care for the elderly decreased to 0.6 employees per client starting in 2025. During 2024, the minimum staffing ratio for 24-hour care in Mehiläinen's units has been at the level of 0.65 employees. More workforce is needed in the care sector in the future despite the decrease in minimum staffing ratios. The number of people over 80 years old is predicted to increase by more than one hundred thousand by 2030. Mehiläinen is responding to this challenge by investing in employee satisfaction and well-being, as well as through effective international recruitment.

Healthcare services - Finland

The demand for Mehiläinen's private healthcare services was strong in 2024. The number of customers continued to grow both at physical doctor appointments and in the largest service channel for individual customers, OmaMehiläinen. The number of users registered in OmaMehiläinen rose to over 2 million during the year. Mehiläinen is the largest private healthcare provider in Finland, and the number of customers in our private healthcare services has already risen to 1.4 million.

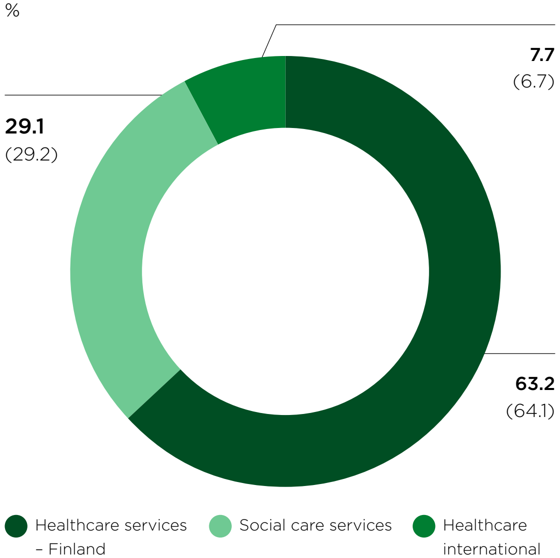
The year 2024 was successful for occupational health services, with the number of individual occupational health customers reaching the milestone of 675,000 employees during the year. Mehiläinen occupational health services acts as an innovator in occupational health, offering modern occupational health and well-being services to support management, work communities, and personnel. A significant step for the growth of occupational health services was the transition of occupational health services for over 37,000 employees of the City of Helsinki to Mehiläinen.

Significant investments in facilities and the latest technology continued. Mehiläinen expanded and renovated several units during the year and began joint replacement surgery in Jyväskylä and Tampere. With the acquisition of Docrates Cancer Center, Mehiläinen expanded its service range to include cancer treatments. Artificial intelligence is strongly involved in the development of digital services, and AI-powered solutions were used in customer service and online appointment bookings.

Mehiläinen's public healthcare services grew profitably during 2024. The availability of services remained at an excellent level in Mehiläinen's health centers. Mehiläinen has the capability to offer quick access to care with high quality and patient satisfaction while ensuring cost-effectiveness for

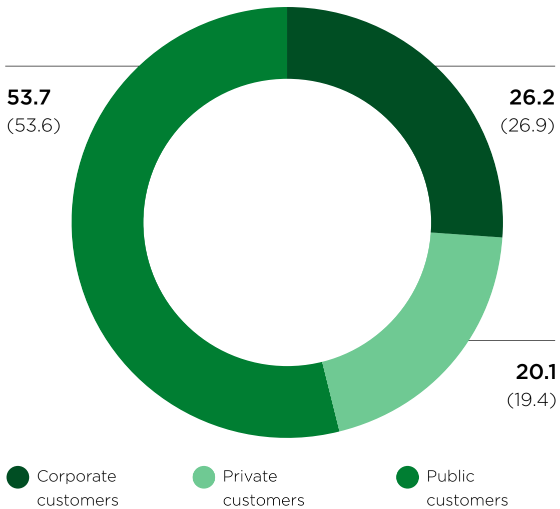
Revenue by businesses

%



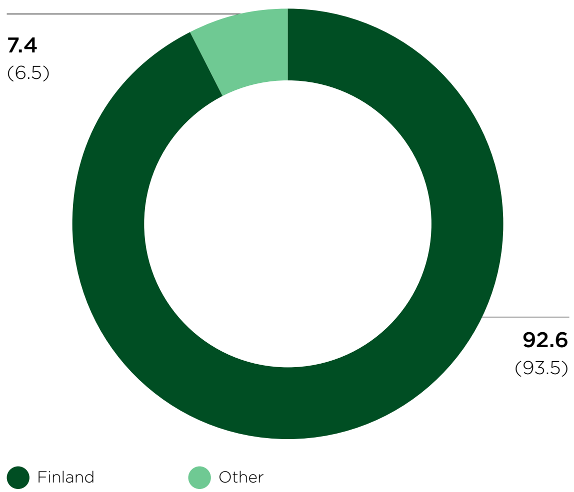
Revenue by customers

%



Revenue by geographical areas

%



organizers of public primary healthcare services. In 2024, a total of 10 wellbeing services counties chose to implement Mehiläinen's SuomiSote service package.

Extensive outsourcing consists of significant social and healthcare outsourcing, such as the outsourcing of specialized medical care and primary healthcare in Länsi-Pohja, as well as the complete outsourcing of social and healthcare services in Siikalatva. During 2024, we succeeded in improving the efficiency, profitability, and employee satisfaction of extensive outsourcing operations.

The development of advanced digital services continued rapidly in public healthcare services as well. During the year, Mehiläinen piloted a self-developed medical device that identifies patients at risk of illness or disease exacerbation and automatically adds them to the doctor's worklist. The pilot is in use at Harjun Terveys. At the end of the year, Mehiläinen also piloted an AI-based tool in health centers. The tool listens to the conversation between the doctor and the patient during the appointment and automatically creates a summary for the patient record. When AI is more broadly harnessed for use by healthcare professionals, it will enhance efficiency and improve the patient experience.

Social care services

A permanent, committed, and skilled staff is the most important factor for the quality of Mehiläinen's social care services. Mehiläinen has made a long-term investment in the development of both supervisory and staff competencies, which is reflected in good results in the development of regularly monitored indicators. In terms of social services, the employer's net promoter score increased further during the year. Supervisor indices also remained at a very good level across all social service lines. The availability of the workforce improved significantly during the year, and staff turnover continued to decrease.

Mehiläinen has been monitoring the quality of nursing work using a quality index since 2018. The quality index purely measures the experiential quality of care. Based on continuously collected feedback from residents, their relatives, employees, and social workers, the quality index improved across all service lines. The results of the annual feedback survey from residents' relatives also improved in all areas.

Despite the challenging operating environment, the year 2024 was again a time of strong growth and development in Mehiläinen's social services. During the year, Mehiläinen continued to expand and develop its service network in accordance with its strategy. Mehiläinen initiated several new construction projects, which will create jobs and expand service offerings in the coming years.

Healthcare international

Mehiläinen offers healthcare services in Estonia, Sweden, and Germany under the Meliva brand name, and digital healthcare software solutions through its subsidiary BeeHealthy. Mehiläinen's revenue increased strongly in international markets during the year 2024. Cooperation was intensified with Mehiläinen's international units to promote quality and patient safety as well as to share best practices. During 2024 BeeHealthy secured several significant new customer relationships and implemented platform development and deployments internationally. In Finland, 10 wellbeing services counties chose BeeHealthy as their partner. By the end of 2024, BeeHealthy's digital service platform was already in use in over ten countries across Europe, the Middle East, and Africa.

Mehiläinen is the largest private healthcare provider in Estonia. In May, Mehiläinen opened the first full-service medical clinic and hospital in the heart of Tallinn, Estonia. It is one of the largest private clinics in Estonia, with over 100 healthcare professionals providing care across 20 different medical fields. In 2024, Mehiläinen expanded its service offerings to Finnish patients in accordance with the EU Patient Directive with the opening of the new clinic. Mehiläinen's business environment in Estonia remained challenging in 2024 due to the country's economic situation and weakened consumer purchasing power, but Mehiläinen nevertheless succeeded in growing in the market across all business areas. The number of doctor visits was over 370,000 during the year. In digital services, Estonia surpassed the milestone of 77,000 registered mobile application users, which represents almost six percent of the entire Estonian population.

In Sweden, Mehiläinen primarily offers publicly funded services based on freedom of choice in 31 health centers, which have already enrolled about 155,000 customers. In public healthcare in Sweden, there is a wide freedom of choice, but voluntary health insurances are also growing rapidly. Growth in Sweden has continued both organically and especially through acquisitions. During the year, Mehiläinen opened new units and extended opening hours across all operational areas. Digital services play a central role in providing seamless service to customers. During the year, Mehiläinen implemented a digital clinic in all units, with over 30,000 registered users in Sweden. Mehiläinen expanded its specialized medical services to include orthopedics and gynecology in late 2024 by acquiring Cevitagruppen and DBI Vård & Hälsa.

Germany is Europe's largest and highly fragmented healthcare market area. Outpatient healthcare services are decentralised to individual or small practices with a few doctors. The market is moving towards larger and more efficient units that allow for more flexible operations. Healthcare is mainly financed through public health insurance. In addition, privately insured patients are an important customer group. Mehiläinen's outpatient healthcare services focus on the Frankfurt area and include specialist care services for both publicly and privately insured customers. Mehiläinen successfully opened a new modern flagship clinic in August in Kaiserslautern. In line with its strategy, Mehiläinen further expanded its operations in Germany through the acquisition of Gelenkzentrum Rhein-Main in October. The Gelenkzentrum clinic offers a wide range of orthopedic and trauma surgery services. In February, Mehiläinen launched the Digital Clinic in Germany, which has been well received by patients. Digital Clinic offers fast and good care through an app or net browser for symptoms that do not require a physical examination. During its first year, the German Digital Clinic's physicians conducted nearly 1,400 digital appointments, and customers rated the service 4.95 out of 5 stars in a customer satisfaction survey.

In Lithuania, Mehiläinen signed an agreement to acquire the country's largest private healthcare company, InMedica Group. The transaction requires regulatory approval to be completed. Expanding into Lithuania is a natural next step in Mehiläinen's growth strategy, and with the acquisition, Mehiläinen will become the largest private healthcare provider in the Baltics. InMedica Group offers primary and specialized healthcare services, hospital services, dental care, as well as mental health and diagnostic services across Lithuania. The company serves private and corporate clients as well as the public sector. InMedica Group's clinics have over 2.7 million doctor visits annually, and more than 310,000 individuals are registered as primary healthcare patients. The company's revenue is around 150 million euros in 2024.

Revenue and result

In 2024 Mehiläinen's revenue increased by 11.5 per cent to EUR 2,063.5 (1,850.2) million. The revenue consisted of domestic healthcare and social care services and international healthcare services. The increase was strong in all business areas, both in Finland and internationally. Majority of the growth (7,6 percent) was organic. The revenue of private healthcare services increased across all customer segments, primarily organically. The revenue of social care services and public healthcare services also increased due to organic growth and business acquisitions.

The underlying operating profit before depreciation and amortisation of intangible assets arising from business combinations, impairments and items affecting comparability (underlying EBITA) amounted to EUR 289.1 (215.7) million. The total amount of items affecting comparability was EUR 16.1 (8.7) million. Depreciation and impairments increased to EUR -188.0 (-186.0) million. Operating profit (EBIT) increased to EUR 231.7 (160.2) million and was 11.2 (8.7) percent of revenue. Profitability developed positively both in Finland and internationally. Several factors explain the improvement in profitability. Growth was supported by strong demand and utilization rates, and the resulting scale advantages that enabled improved cost efficiency. Mehiläinen was also able to partially compensate for the cost increases caused by inflation and changes in legislation through the pricing of services.

Financial income and expenses totaled EUR -160.4 (-107.0) million. From this, interest expenses on loans were EUR -119.8 (-86.2) million and interest expenses on leases EUR -34.8 (-27.7) million. Financial expenses also include fees related to loans, hedging and currency exchange differences. The result for the financial year was EUR 39.2 (40.1) million representing 1.9 (2.2) percentage of revenue.

Financial position

The total amount of Mehiläinen balance sheet at the end of the financial year was EUR 3,377.1 (3,189.4) million. Of this, equity amounted to EUR 559.8 (975.3) million, with an equity ratio of 16.6 (30.7) percent. During the financial year, own shares were repurchased for EUR -452.8 (-21.8) million which explains the decrease in equity.

Interest-bearing net liabilities at the end of the financial year were EUR 2,253.9 (1,652.5) million. Of this, interest-bearing financial institution loans were EUR 1,741.2 (1,204.2) million and the rest were mainly lease liabilities. The net gearing ratio was 402.6 (169.4) percent. Liquidity remained good despite increased investments during the financial period and the repurchase of own shares.

In July 2024, Mehiläinen agreed on a syndicated debt financing package totaling EUR 2.06 billion, primarily with a seven-year term. The new long-term financing was used to refinance Mehiläinen's previous EUR 1.36 billion loan facilities and to raise an additional 700 million euros in extra liquidity. The funds raised are intended for future acquisitions, investments required for growth, and financed the repurchase of Mehiläinen Konserni Oy's own shares from the LähiTapiola Group.

The financing arrangement and risks are described in more detail in Note 5.3 of the consolidated financial statements.

Cash flow

Cash flow from operating activities weakened as a result of the change in working capital and was EUR 353.4 (384.1) million. The change in working capital affecting cash flow amounted to EUR -32.6 (51.6) million. The commitment of working capital was partly influenced by a receivables financing arrangement implemented by Mehiläinen at the end of the comparison period, which was replaced during 2024 with a long-term receivables financing arrangement. Taxes paid during the financial year amounted to EUR -32.4 (-15.6) million.

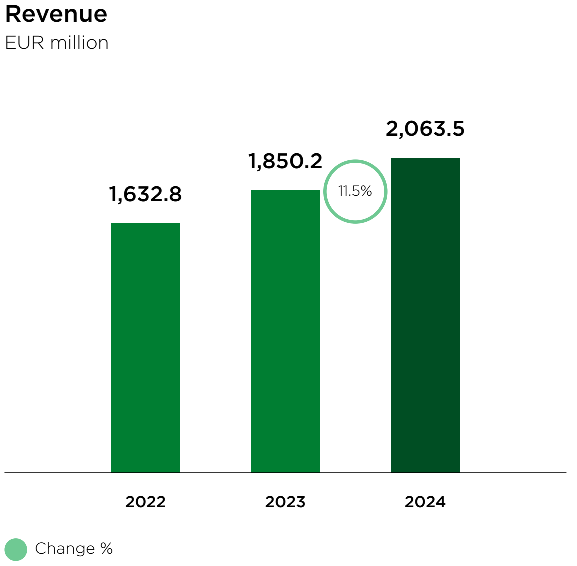
Cash flow from investing activities increased to EUR -191.3 (-81.8) million. Of this, acquisitions of subsidiaries and businesses accounted for EUR -122.5 (-47.2) million and investments in tangible and intangible assets for EUR -69.8 (-40.9) million.

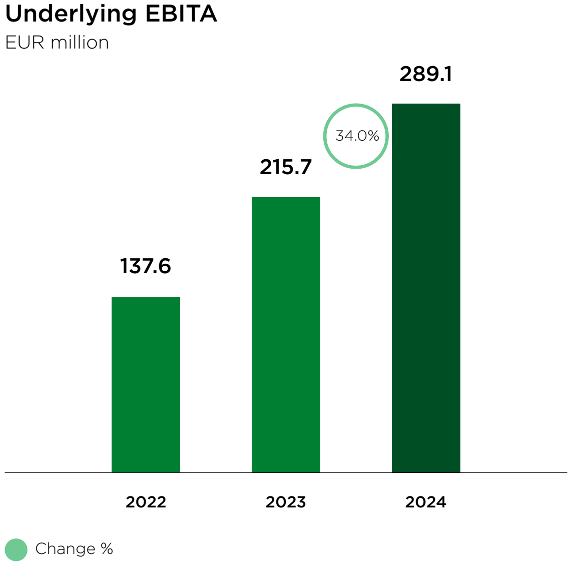
Cash flow from financing activities was EUR -189.5 (-217.6) million, of which interest paid accounted for EUR -112.2 (-71.1) million. Cash flow from financing activities related to lease liabilities was EUR -129.5 (-119.9) million.

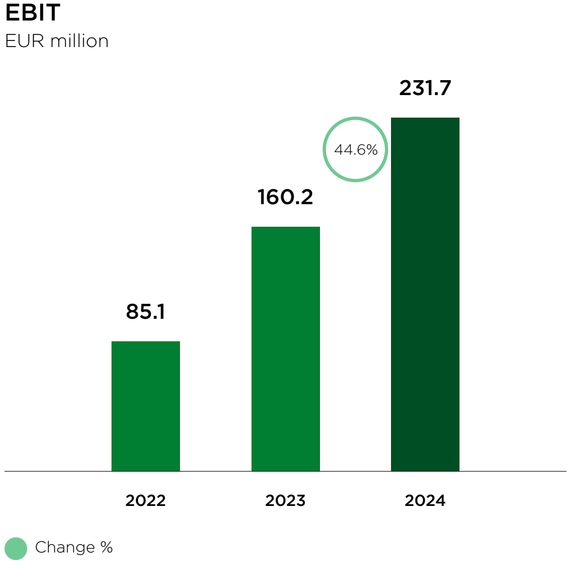
Cash and cash equivalents at the end of the financial year were EUR 120.0 (147.3) million.

Investments

Despite the prevailing interest rate environment and increased financing costs, investments were continued in new facilities, medical equipment, digital development, and acquisitions that expand our service network and offerings. Total investments, including acquisitions and investments in tangible and intangible assets were EUR -192.3 (-88.1) million. For the year 2024, the most significant acquisitions were the Cancer Hospital







Docrates and the speech therapy specialized company CogniMed in Finland, the acquisition of Gelenkzentrum in Germany, and the acquisition of Cevitagruppen in Sweden.

The most significant investments in tangible assets were the expansion of the Mehiläinen Töölö surgical department in Helsinki and the expansion projects of existing medical centers, including those in Helsinki's Forum, Ympyrätalo and Töölö. In Estonia, the construction of a new medical center and hospital in the center of Tallinn was completed. Additionally, significant investments were made in new MRI equipment in Kotka and Lappeenranta.

Investments in intangible rights continued during the year 2024. The digital healthcare platform solution developed by BeeHealthy for international markets was further developed and the electronic patient record system, Mehidoc, was launched for professional use.

Personnel

At the end of the financial year, Mehiläinen had 37,294 (37,256) employees including 7,004 (6,571) private practitioners working at Mehiläinen. When converted to full-time positions, Mehiläinen had 15,777 (14,830) employees. Expenses arising from employee benefits form the largest single expense group and amounted to EUR -961.3 (-875.0) million. Out of this, salaries and fees accounted for EUR -796.5 (-717.5) million.

In 2024, the number of employees grew further by 947 full-time employees. The growth in the full-time equivalent employee number did not reflect an increase in Mehiläinen's total employee numbers. Factors influencing this include, among others, an increase in employee commitment and a decrease in on-demand work. Mehiläinen's goal is to be the most desired employer in the social care and healthcare sector. To achieve this goal, Mehiläinen has invested in areas such as supervisory training, employee experience, and the development of responsibility. The latest leadership development programs include internal coaching and mentoring programs. During the year, the sixth Finnish MEE (Mehiläinen Executive Education) coaching program was carried out, along with the third international program, which had participants from all the countries where the group operates. To further enhance the performance of its own staff, various training paths, supervisor training, orientations, and work ability management were developed. Mehiläinen was awarded as Finland's most magnetic employer brand in the Magnet Employer Branding Awards Finland 2024 competition. Additionally, health and pharmaceutical college students and professionals working in the field rated Mehiläinen as the ideal employer in their field in a study by Universum. In addition, Mehiläinen was awarded as Finland's most active workplace at the Sports Gala in 2024, and Mehiläinen was ranked among the world's 100 most loved workplaces in Newsweek's publication.

Mehiläinen's employee engagement, well-being, and job satisfaction are surveyed in an annual staff survey. The survey conducted in the fall of 2024 collected a record response from nearly 10,000 individuals. In addition to Finland, the survey was conducted in Germany, Estonia, and for the supervisor index, also in Sweden. The results of the staff survey reached a new record high once again.

37,000 Total number of employees and private practitioners

8,800 Physicians, of whom approximately 5,300 are private practitioners

4.4/5 Result of the equality questionnaire (over 2,000 answers)

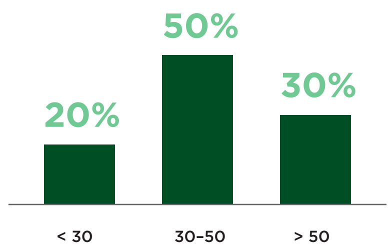
Personnel Groups

23% Physicians and dentists

70% Care and nursing staff

7% Supervisors and administration

Age distribution



The survey results show that positive development has occurred across all indices for six consecutive years. Mehiläinen conducted also its fourth equality and non-discrimination survey during the year, with results continuing to improve from last year's good outcomes.

The year 2024 was successful in many ways from a personnel perspective. Thanks to systematic development work, the increased on-demand work after the coronavirus pandemic decreased, commitment to the employer strengthened, and the turnover of supervisors and employees continued to decline. Particularly positive was the strengthening of the staff's willingness to commit, which in turn supports good customer and employee experience. Towards the end of the year, Mehiläinen made new strides in its international operations as representatives from all countries of operation updated Mehiläinen's HR policy to meet the needs of an international growth company. Additionally, all foreign operations were integrated into Mehiläinen's social responsibility steering group.

Board of Directors, Annual General Meeting and Auditors

Mehiläinen's board of directors is responsible for operations in accordance with the company's articles of association as well as the charters of the Board's Committees and other complementary rules of procedure. Duties include proper organization of administration and operations, defining and guiding strategy, internal control and risk management, deciding on the appointment and dismissal of the CEO, and approving major contracts accordance with the code of approval.

Pursuant to the Article of Association of Mehiläinen, the company's board of directors composed of a minimum of five and a maximum of eight members, whose term of office continues indefinitely. The composition of the board takes into account requirements for independence, competence and experience in matters related to the company's industry and business, as well as reliability. The target is that the board shall include representatives of more than one gender. Among the board members, Janne-Olli Järvenpää works for the company (CEO). In other respects, the board has assessed that the members are independent of the company's operations.

Mehiläinen's Annual General Meeting was held in Helsinki on 18 March 2024. The Annual General Meeting approved the financial statements and discharged the members of the Board of Directors from liability for the financial year 2023. The Annual General Meeting decided, in accordance with the Board's proposal, that no dividend be distributed.

The auditor is Ernst & Young Oy, with APA Mikko Rytilahti as the auditor in charge.

Transactions with related parties are presented in note 7.3 to the financial statements.

Members of the Board	Gender	Born	Citizen	Dependency from the company	Fees paid (1,000)	Audit Comittee	Remuneration Comittee	Contract Comittee
Andreas Tallberg (Board chair)	Male	1963	Finland	Independent	370		X	
Eveliina Huurre	Female	1973	Finland	Independent	55	X		X
Hanna-Mari Hartikainen (until 31.8.2024)	Female	1971	Finland	Independent	23	X		
Janne-Olli Järvenpää	Male	1971	Finland	No	0			
Lave Beck-Friis	Male	1987	Sweden	Independent	0	X		X
Sirkka Nikula (until 31.8.2024)	Female	1970	Finland	Independent	23			
Tomas Ekman	Male	1967	Sweden	Independent	0		X	X

Significant disputes

Due to the extensive business operations, the Group companies are involved in disputes or litigation. Management estimates that these are not expected to significantly impact the Group's result or financial position, considering the provisions made.

Share capital, share and shareholders

Mehiläinen Konserni Oy has 778,233,030 registered shares at the year end. The shares are divided to 40,458,703 A-shares, 732,019,384 B-shares and 5,754,943 C-shares. The shares are divided into classes that differ in accordance with the order of priority when distributing funds. In other respects, the company's shares provide equal rights in the company, in accordance with the Articles of Association. The Group has no valid stock option programmes. The share capital is 22,500 euros.

During the financial year, no decisions were made regarding share issues, and thus no new shares were issued.

During the financial year, Mehiläinen Konserni Oy acquired its own shares from private investors who have given up their holdings in the company. A total of 206,656,040 of the company's own shares have been repurchased, of which 7,686,800 are A-shares, 185,464,342 are B-shares and 13,504,898 C-shares. The consideration paid for the repurchase of own shares amounted to EUR 452.8 million for the year 2024. The relative share of the company's acquired and canceled own shares of all the company's shares at the end of the financial year has been approximately 21 percent, and the board of directors has decided with the decisions made on 30 July 2024 and 3 September 2024 to immediately cancel the own shares acquired by the company after they come into the company's possession.

Decisions related to share issues and repurchase of own shares valid at the end of the financial year:

- On 17 February 2022, the company's shareholders have authorised the Board of Directors to decide on the share issue. A maximum of 53,230,234 shares, including a maximum of 877,540 A-shares and a maximum of 52,352,694 B-shares, can be issued under the authorisation. Pursuant to the authorisation, at the end of the financial year, 686,615 A-series shares and 40,021,044 B-series shares remain unissued.
- On 18 March 2024, the company's shareholders have authorised the Board of Directors to decide on the repurchase of own shares. Pursuant to the authorisation, a maximum of 13,200,000 shares may be repurchased, of which a maximum of 1,700,000 A-shares, a maximum of 10,000,000 B-shares and a maximum of 1,500,000 C-shares. No shares have been repurchased under the authorization.
- On 30 July 2024, the company's shareholders have authorised the Board of Directors to decide on the repurchase of own shares. Pursuant to the authorisation, a maximum of 100,000,000 shares may be repurchased, of which a maximum of 50,000,000 B-shares and a maximum of 50,000,000 C-shares. Pursuant to the authorisation, at the end of the financial year, 49,018,899 B-series shares and 36,495,102 C-series shares can be still repurchased.

Mehiläinen's ownership

Funds managed by CVC Capital Partners	71%
Varma Mutual Pension Insurance Company	10%
The State Pension Fund of Finland (VER)	6%
Ilmarinen Mutual Pension Insurance Company	5%
Apteekkien Eläkassa	1%
Valion Eläkekassa	1%
Other investors and private persons, total	6%

Outlook for 2025

Mehiläinen estimates revenue to grow in 2025, by both organic growth and supported by acquisitions, despite the efficiency measures of the wellbeing services counties. The wages and other costs in the social and healthcare service sector continue to rise in 2025, while the wellbeing services counties aim to enhance their efficiency. However, through the continuous improvement of operations, Mehiläinen aims to increase not only its revenue but also EBITA (operating profit before depreciation and amortisation of intangible assets arising from business combinations and impairments) in 2025.

Proposal by the Board of Directors for profit distribution

The board of directors proposes to the Annual General Meeting that no dividend be distributed from the result of the financial year and that the result be transferred to the retained earnings account. The parent company's distributable assets on 31 December 2024 were EUR 523.7 (983.3) million.

Events after the reporting period

Humana Finland's 20 elderly care units became part of Mehiläinen through an acquisition signed on May 23, 2024. The acquisition included Humana Finland's 20 units located throughout Finland, most of them in Northern Finland. The revenue for the units in 2024 was EUR 36.4 million. The units have close to 500 resident places and employ over 700 professionals. The elderly care units became part of Mehiläinen's Mainiokodit, the mental health rehabilitation units for elderly became part of Mehiläinen's Ykköskodit, and the home care unit became part of Mehiläinen's home care services. The acquisition received conditional approval from the competition authority on December 20, 2024, and the acquisition was completed on February 3, 2025.

There were no other material events after the financial year.

NON-FINANCIAL INFORMATION

Corporate Responsibility

The core of Mehiläinen's corporate responsibility is the company's strategy, values, and mission to create health and wellbeing in society. Corporate responsibility is guided by the company's responsibility program as well as Group policies, which focus on environmental, social, and governance responsibility.

Mehiläinen will publish a separate responsibility report. It will further describe the development and fulfillment of the responsibility work by Mehiläinen for the year 2024.

In accordance with the GRI framework, Mehiläinen's sustainability program is based on the key issues identified by stakeholders, as well as the company's strategy and identified opportunities for influence in operating environment.

With its sustainability program, Mehiläinen aims to promote the responsibility of its business, guide the company to develop issues that are important and to meet legislative requirements and stakeholder expectations and demands.

Sustainability program is built around four themes. These themes reflect the issues that Mehiläinen particularly wants to advance in its activities:

Pioneer in high quality treatment and care

Our customers and their families can rely on us to provide individual, smooth, safe and effective treatment and care. Our management is knowledge-based, we seek to perform better every day, and we are a pioneer in digital healthcare.

Innovator and agile developer, and bearer of social responsibility

Our growth is stable, we create jobs and export Finnish expertise to the international market. We are a strong partner for both companies and the public sector.

Attractive and meaningful workplace

We invest in the comprehensive well-being of our employees and provide them with opportunities to develop and shine in their work. We offer a wide range of career paths, and our corporate culture encourages success.

Sustainable development

We operate sustainably, openly and efficiently throughout the value chain.

Alongside its sustainability program, Mehiläinen is committed to advancing the UN Sustainable Development Goals relevant to the company's operations. Mehiläinen is also dedicated to the UN Global Compact initiative, adhering to and promoting its principles.

Mehiläinen prepared for the EU's Corporate Sustainability Reporting Directive in 2024, which requires Mehiläinen to report its 2025 information in accordance with European Sustainability Reporting Standards. As part of the preparation, a double materiality assessment was conducted to identify the significant impacts of Mehiläinen's business on the environment, society, personnel, and other stakeholders, as well as the business risks and opportunities related to sustainability themes.

Mehiläinen's sustainability program was renewed in 2024, taking into account the results of the double materiality assessment. The new program will be published at the beginning of 2025.

Mehiläinen has agreed with its financiers that the interest margin on its €2.06 billion loan package will take into account how Mehiläinen achieves the sustainability targets tied to the financing. The metrics tied to the overall package include the quality index of elderly care services, the speed of access to elective care in Mehiläinen's public health centers, and the carbon dioxide emissions of the Group. Mehiläinen has achieved these targets in 2024 as well as in previous years.

At the end of 2024, Mehiläinen was evaluated by an external independent company Ecovadis. Ecovardis is one of the largest global providers of sustainability assessments. Mehiläinen achieved a platinum rating in the assessment, which only one percent of the evaluated companies reach. Mehiläinen's ratings improved particularly in labor and human rights as well as ethical business practices.

Environment

Mehiläinen's environmental policy guides the group's operations. In all activities, identifying and preventing possible adverse effects on the environment is being strived towards, and thus promoting the principle of sustainable development. Every employee working at Mehiläinen is expected to commit to environmental responsibility in their own work.

Environmental goals are based on Mehiläinen's values (responsibility and caring) and environmental issues are part of the operating and quality system. Operations are being developed to reduce the amount of waste disposed of, decrease the use of paper, lower energy and water consumption, and minimize the environmental impact of travel.

In 2023, Mehiläinen committed to the Science Based Targets initiative, aiming for emission reductions aligned with the 1.5-degree Celsius warming scenario outlined in the Paris Climate Agreement. Science-based emission reduction targets were prepared during 2024 and submitted to the SBTi organization for approval at the end of the year.

The carbon footprint of the entire Mehiläinen group (scope 1, scope 2, scope 3) was calculated for the first time in 2024, including the country subsidiaries. The calculation was also retrospectively performed for the year 2023.

Mehiläinen aims to consider the environmental impacts of its business operations, implement a responsible procurement policy, and develop work processes and practices that reduce environmental burden. Individual-level responsibility is supported by providing information, training, and tools to promote awareness of environmental issues. Suppliers and other partners are expected to minimize the environmental impact of their products and services. Mehiläinen promotes the digitalisation of the industry by developing digital services and products that contribute to reducing travel and thus the environmental impact. Mehiläinen utilises energy-efficient and environmentally friendly computer rooms and thus reducing the impact on the environment.

Mehiläinen's operations have been certified by Bureau Veritas as proof that the service meets the customer and regulatory requirements of the ISO 9001 and ISO 14001 quality and environmental standards as well as the ETJ + energy efficiency system. The certification covers all business lines and most of the premises. With audits carried out 1–2 times a year, new units are included in the scope of certification.

Human rights

In 2023, the board approved a new Human Rights Policy, which includes the commitment of the company's leadership to human rights. During the year 2024, Mehiläinen conducted human rights impact assessments for the first time in social services and at Healthcare Staffing Solution Oy (HSS).

Mehiläinen is committed to respecting all internationally recognised human rights. We respect the implementation of human rights in our own operations and we also expect this from all our partners and subcontractors. We avoid causing or contributing to negative human rights impacts by developing our operations and acting with due care.

We comply with national laws and regulations. In addition, Mehiläinen respects international law, such as the following declarations and conventions: The UN Universal Declaration of Human Rights, UN International Covenant on Civil and Political Rights, UN International Covenant on Economic, Social and Cultural Rights and ILO Declaration on Fundamental Principles and Rights at Work. In addition, our operations are guided by the OECD Guidelines for Multinational Enterprises as well as the UN Guiding Principles on Business and Human Rights. Mehiläinen is committed to the UN Global Compact initiative.

In all our operations, we strive to ensure the fundamental rights of our employees, customers and stakeholders, regardless of their age, gender, sexual orientation, ethnic and cultural origin and religious or political affiliation. We are committed to respecting the human rights of our customers and business partners, and we also require them to comply with the human rights commitments when operating with Mehiläinen. We are committed to ensuring a safe, fair and non-discriminatory working environment for all of our employees.

We respect our customers' right to self-determination in the sphere of social welfare and healthcare activities, and we strive to strengthen its implementation with active measures.

Customer satisfaction

At Mehiläinen, customer satisfaction is measured using the internationally recognized Net Promoter Score (NPS) metric. The NPS index can range from -100 to +100, and it is considered good when the index is above 50. In healthcare services, customer satisfaction is measured in medical clinics, hospitals, Felicitas Mehiläinen infertility clinics, and health centers, among others. For the entire year, the combined NPS was 91 for private healthcare services and 78 for public healthcare services.

Customer satisfaction of decision-maker clients in Mehiläinen's Occupational Health Services is measured annually with a comprehensive online survey, through continuous steering group and cooperation meeting surveys, and with satisfaction and development surveys conducted in the Mehiläinen Decision-Maker Panel online panel.

Surveys are also conducted in private and public healthcare services to assess patients' enablement with their illness after a doctor appointment. The results clearly reflect improved enablement. For the small fraction of respondents who felt they were coping worse, an opportunity for personal contact for further support was offered.

Customers are involved in the development of Mehiläinen's operations and services through the Customer Council online panel. In 2024, the Customer Council included 6,800 Mehiläinen customers. The panel surveys received a total of over 22,000 responses. Council members were asked for their views and suggestions for improvement on topics such as Mehiläinen's quality metrics and responsibility work, customer involvement, health insurance, Kela reimbursements, Mehiläinen's digital services, Mehiläinen's advertising, and various services such as physiotherapy and hospital services. In social care housing units, the customer experience is measured with a quality index developed by Mehiläinen, which is implemented through qualitative reports and surveys.

Customer and patient safety

Mehiläinen's services are based on evidence-based medicine as well as good care and operational practices. Patient and customer safety refers to the principles and operational practices of all professional staff working at Mehiläinen, Mehiläinen's units, and the group, which ensure the safety of patients' and customers' health and medical care as well as care services. Mehiläinen uses a tool called Laatuportti for reporting and documenting events that endanger customer and patient safety. There is also a separate section for reporting information security incidents.

Laatuportti is intended for the development of the organization's operations. Through a systematic and user-friendly reporting procedure, users can learn from incidents and near-misses, and the organization's management can receive information about the adequacy of training or guidelines and the effects of actions taken. Laatuportti also serves as a feedback channel for patients and their relatives. In addition to customer feedback, patients and their relatives can file an incident report in the Laatuportti if they suspect that an unsafe situation has occurred or was about to occur during treatment. In Finland, the Patient Insurance Centre handles all patient injury claims related to healthcare and maintains statistics on patient injury reports.

In 2024, a comprehensive annual self-monitoring surveys were conducted in Finland, Sweden, Estonia and Germany. The self-monitoring surveys focus especially on patient safety.

Quality and Effectiveness

Mehiläinen is committed to quality and the effectiveness of care based on the principle of continuous improvement. Every employee at Mehiläinen participates in quality work, which is led by the group's quality team under the direction of the Chief Medical Officer. Mehiläinen's customers are actively involved in quality development through feedback systems and the customer council. Quality at Mehiläinen is monitored and managed with the Quality Indicators quality monitoring system, which reports on issues related to patient safety, access to care, process functionality, and customer experience. The Quality Indicators system includes about 30 metrics from different business areas.

Mehiläinen's public Quality Indicators include metrics to assess the responsible use of antibiotics for upper respiratory infections, cough medicines for small children, and primarily central nervous system-affecting drugs. The effectiveness of care is monitored for the treatment balance of diabetes and cardiovascular diseases. In 2024, the data analytics team produced monthly highlights on health phenomena for both management support and societal influence in the media.

Mehiläinen also offers a wide range of digital lifestyle coaching to support the prevention of diseases. Research and development activities at Mehiläinen focused on the development of digitalization of healthcare services with the goal of providing high-quality healthcare services. Digital services create new channels for using Mehiläinen's services, improve customer experience, and make service processes more efficient. One of the key digital services developed is the OmaMehiläinen app, which allows for quick and easy access to one's own health information, appointment booking from one's phone, electronic prescription renewal, and round-the-clock messaging with healthcare professionals. Mehiläinen's investments in research and development were 14.4 (14.2) million euros in 2024, some of which were recorded directly as expenses and some were capitalized into other long-term expenditures.

In public healthcare services, the COCI (continuity of care index) metric is used to assess the continuity of care with the same healthcare professional. In the latest (Apr 2024) data provided by The Finnish Institute for Health and Welfare, 77% of our health stations ranked better than the Finnish average on continuity of care with doctors or nurses. In addition, self-monitoring has been developed in public healthcare services by updating the self-monitoring survey, which measures six areas of healthcare quality as well as the efficiency and safety of healthcare operations.

In 2024, social care services continued to develop and implement quality tools. In the incident reporting system's handling process, serious incident reports are brought to the management's attention in real-time, allowing for quick intervention. The handling of incidents in the units can also be monitored.

During 2024, steering groups from Mehiläinen and Finnish universities providing medical education met regularly to deepen research and educational cooperation. Under the Mehiläinen Knowledge and Skills website, doctors' specialization training, training calendar, and other information about extensive training services and scientific research opportunities have been compiled. Mehiläinen's Doctor Days were conducted as hybrid training. In the spring of 2024, the virtual Nurse Day was held for the fourth time, which all nurses from Finland, from social care services as well as healthcare units, were also able to attend.

Code of conduct

Mehiläinen expects all employees, private practitioners, and partners to follow the Group's Code of Conduct and other policies. The purpose of these policies is to guide all employees and private practitioners to face each other and customers as professionals according to high quality standards. The most relevant policies are human resources policy, quality policy, information security and data privacy policy, communications policy, procurement policy, risk management policy, human rights policy and tax policy.

The Code of Conduct also covers principles on prevention of bribery and corruption. In accordance with Mehiläinen's Code of Conduct, corruption, bribery, and competition-distorting activities are prohibited. As specified in the Mehiläinen management system, steering and management committees have been appointed to monitor the implementation of the Code of Conduct and policies within the units. The implementation of the Code of Conduct is also monitored through internal and external audits. An anonymous whistle blowing system for reporting suspected fraud and misconduct is in use, in each country of operation in accordance with local legislation.

Risks and risk management

Strategic and operational risks and damage risks related to the operations are managed through continuous monitoring and development of processes and operating models. Monitoring the quality of operations and managing risks related to operations is part of Mehiläinen's management system. For example, internal and external audits, a feedback system, incident reporting, and a reporting channel are used for monitoring.

In addition to the requirements and goals set by the group itself, social care and healthcare services are a highly regulated industry with permits, registrations, and regulatory oversight.

Risks are assessed and monitored regularly and systematically both at the Group level and at the operational level. Significant risks are regularly reviewed in the Group's management team and the Audit Committee. Mehiläinen's risk management process and responsibilities are described in more detail in the risk management policy.

Most significant risks and uncertainties are:

Changes in the operating environment. Mehiläinen operates in a highly regulated industry. Both the operations and changes in the business environment can pose risks. Changes in the legislation on social and healthcare services create both opportunities and risks for the Group.

Contracts. Mehiläinen has long-term leases and customer contracts, such as contracts on outsourced services with wellbeing services counties, with limitations on price adjustments. While they permit long-term development of operations, profitability is not guaranteed in the long run. For example, the contractual terms may not consider increases in employee benefit expenses or weaker than expected demand for the services in different units.

Demand changes. Demand for privately funded services may be adversely affected by a general downturn in the economy, pandemic, and a fall in the employment rate. Competition and the measures taken by the public sector may also impact the Group. Intensified competition increases pricing pressures and complicates customer acquisition.

Personnel availability. Other circumstances affecting the operations include the availability of qualified social and healthcare professionals, whether private practitioners or employees. This may limit the growth and create cost pressures. Mehiläinen invests in human resources development and employee well-being, and surveys show that Mehiläinen is regarded as an attractive employer.

Risks related to data protection. Patient, information, and customer safety are the foundation of social and healthcare services. The functionality and information security of information systems are important in both customer work and support functions. The Group monitors risks on a regular basis, develops operations, and invests in information systems and information security in the operating environment.

Finance risks. The Group’s operations involve financial risks, such as liquidity, interest rate and credit risks as well as damage risks. Mehiläinen mitigates these risks by forecasting financing needs, concluding long-term financing agreements, considering interest rate hedging, analysing counterparties, and taking out insurance. Financial risks are reported in more detail in the notes to the financial statements.

Internationalization. During recent years, Mehiläinen has expanded abroad. The risks listed above are emphasized in Mehiläinen's international business.

Data privacy and data protection

Mehiläinen's operational business is almost exclusively the processing of various sensitive personal data in various business processes. In the operations, large amounts of sensitive personal data are processed daily, such as patient data and customer data of social care services. Due to the nature of the business, the processing of personal data causes risks, which the data protection and quality work carried out in the company constantly aims to identify and control. Goal is to protect the business by safeguarding the confidentiality of Mehiläinen's and its customers' and partners' data and ensuring that the processing of personal data complies with the law.

The processing of personal data in healthcare is heavily regulated through both common European and national legislation in each country of operation. The Finnish healthcare system is in the changing phase, which is also causing constant changes to the healthcare data protection regulations, which are systematically monitored in the Group.

The growing general interest of customers in the protection of personal data, as well as in the exercise of the data subject's rights, contribute to the importance, visibility, and risks of the operating models related to the processing of personal data.

Proper and careful processing of personal information is a key part of day-to-day quality and risk management. Requirements and responsibilities related to information security and protection are part of Mehiläinen's management system and are an integral part of all the operations. Data protection issues are managed at the Group level by the Data Protection Officer and Data Security Steering group, which monitors the overall data protection situation, addresses significant risks and deviations, and decides on group level practices. The Group's Data Protection Officer co-operates with the data protection officers abroad.

Mehiläinen's operations comply with the European General Data Protection Regulation (GDPR) and other data protection regulations, according to which the development of operations has continued during the past years.

In the current fiscal year, healthcare has continued to be the focus area of the national data protection authority's supervisory activities, which has shown itself as increasing cooperation between the authorities.

Other areas of development and focus related to data protection have been the centralization of our functions related to investigating and reporting data breaches, as well as the exercise of data subjects' rights, international business and the consideration of the effects of the constantly changing special national healthcare legislation in contracts and operating models.

Data security

Data security and data protection are part of Mehiläinen's ISO 9001-certified quality management system. Security is built as high as possible, for example in terms of network connections, encryption, user authentication, applications, and expertise. Numerous measures are in place to ensure the high level of information security.

- The protection of internet connections is a critical factor in terms of information security, and the company implements this protection e.g., through code-level testing, firewalls, access restriction, and strong authentication. Connections to Mehiläinen's systems are regularly tested by an external security company.
- All software on the market has vulnerabilities that will be fixed as they become known. Mehiläinen has a wide range of measures in place to ensure that the latest software versions have been fixed.
- The use of systems and networks are monitored, and abnormal use and traffic are responded to with alarms.
- In addition to its own security experts, the company has an external security company's cyber defense center.
- Training personnel is essential for maintaining high data security, and Mehiläinen has made significant investments in training.

Mehiläinen continues to participate in the BugBounty program, which covers Mehiläinen's digital services and infrastructure. A total of 87 security experts approved for the program participated in the continuous testing of Mehiläinen's and BeeHealthy's digital services through the BugBounty program. The aim of the program is to identify vulnerabilities and weaknesses in Mehiläinen's systems. The targeted testing conducted by experts complements automated security testing and external audits.

Mehiläinen's data security is continuously audited by external experts at the initiative of customers, partners and internal control. Further development is underway according to the three-year roadmap created based on the current state assessment of data security and development goals.

As part of preparation for NIS2 directive Mehiläinen completed ISO 27001 program where Mehiläinen's digital services and operations of BeeHealthy were certified.

GROUP KEY FIGURES

Financial performance		2024	2023	2022
Revenue	EUR million	2,063.5	1,850.2	1,632.8
Underlying EBITDA [1]	EUR million	435.1	354.9	266.0
– of revenue	%	21.1	19.2	16.3
EBITDA	EUR million	419.7	346.2	262.2
– of revenue	%	20.3	18.7	16.1
Underlying EBITA [1]	EUR million	289.1	215.7	137.6
– of revenue	%	14.0	11.7	8.4
EBITA	EUR million	273.7	207.0	133.8
– of revenue	%	13.3	11.2	8.2
Underlying operating profit [1]	EUR million	247.8	168.9	91.1
– of revenue	%	12.0	9.1	5.6
Operating profit	EUR million	231.7	160.2	85.1
– of revenue	%	11.2	8.7	5.2

1) Adjustments included in the underlying EBITDA, EBITA and operating profit have been presented in the section 'Items Affecting Comparability' of Report of the Board of Directors.

Profitability		2024	2023	2022
Return on Capital Employed (ROCE)	%	8.4	6.5	3.3
Return on Equity (ROE)	%	5.1	4.1	-1.0

Financing and financial position		2024	2023	2022
Net working capital	EUR million	-113.2	-138.8	-77.6
Equity ratio	%	16.6	30.7	30.9
Gearing	%	402.6	169.4	177.6
Interest-bearing net debt	EUR million	2,253.9	1,652.5	1,711.5

Other key figures		2024	2023	2022
Net cash from operating activities	EUR million	353.4	384.1	264.2
Investments, excluding acquisitions	EUR million	69.8	40.9	46.6
Average number of personnel, full-time equivalent		14,985	14,207	13,404
Average number of private practitioners, full-time equivalent		1,058	1,079	1,050
Number of personnel at the end of the period, full-time equivalent		15,777	14,830	13,827

The Group follows the Guidelines issued by the European Securities and Markets Authority (ESMA) on Alternative Performance Measures (APM) when reporting certain commonly used key figures in addition to the IFRS standards. The accounting principles for these APMs are not defined by IFRS. Consequently, they may not be fully comparable with the alternative performance measures disclosed by other companies.

Mehiläinen believes that presenting alternative performance measures provides users of the financial statements with a better view of the Group's financial performance, profitability and financial position. Underlying EBITDA, underlying EBITA and underlying operating profit are used to monitor the profitability of the underlying business, enhancing comparability across periods. All alternative performance measures are disclosed with comparison period and are calculated consistently over the years, unless stated otherwise.

Calculation of key figures

Financial performance

Operating profit	=	Revenue + other operating income - materials and services - employee benefit expenses - depreciation, amortisation and impairment losses - other operating expenses +/- share of results in associated companies
Underlying operating profit	=	Operating profit + items affecting operating profit comparability
EBITDA	=	Operating profit + depreciation, amortisation and impairment losses
Underlying EBITDA	=	Operating profit + depreciation, amortisation and impairment losses + items affecting EBITDA comparability
EBITA	=	EBITDA - (depreciation and amortisation - depreciation and amortisation arisen from business combinations)
Underlying EBITA	=	EBITDA - (depreciation and amortisation - depreciation and amortisation arisen from business combinations) + items affecting EBITA comparability

Profitability

Return on Capital Employed (ROCE), %	=	$\frac{\text{Result before taxes + finance expenses}}{\text{Total equity + interest-bearing debt (average)}}$
Return on Equity (ROE), %	=	$\frac{\text{Result for the year}}{\text{Total equity (average)}}$

Financing and financial position

Net working capital	=	Inventories + trade receivables and other current receivables - trade payables and other current payables
Equity ratio, %	=	$\frac{\text{Total equity}}{\text{Total assets - advances received including contract liabilities}}$
Gearing, %	=	$\frac{\text{Interest-bearing net debt}}{\text{Total equity}}$
Interest-bearing net debt	=	Interest-bearing debt including lease liabilities - (interest-bearing receivables + cash and cash equivalents)

Other key figures

Average number of personnel (FTE)	=	Calculated as average of monthly number of personnel (full-time equivalent)
Average number of private practitioners, full-time equivalent	=	Calculated as average of monthly number of private practitioners (full-time equivalent)
Number of personnel at the end of the period (FTE)	=	Number of personnel at the end of the period (full-time equivalent)

Items affecting comparability

The Group discloses items in its Financial Statements that affect comparability of EBITDA, EBITA and operating profit between different reporting periods. From the Group's perspective, items affecting comparability must be exceptional and outside the course of ordinary course of business. These include costs of structuring and changes in ownership of the Group, costs and revenues related to business combinations, costs of business integration and takeover of new service production, capital gains and losses on the sale of businesses or assets, costs related to both restructuring and streamlining operations, costs of significant information system projects and other items impacting comparability.

Costs related to acquisitions and structuring may arise from, for example, valuation advisory services, due diligence on corporate business and risks, transfer taxes, acquisition recognition advisory services and changes in the fair value of contingent consideration. Integration and restructuring costs, as well as other costs, may relate to, for example, site mergers, IT system projects, termination of employment, and tax and other advisory services.

EUR million	2024	2023
Acquisition and structuring related income	4.0	0.2
Acquisition and structuring related expenses	-14.3	-2.6
Integration and restructuring related and other expenses	-5.8	-6.3
Total	**-16.1**	**-8.7**

Reconciliation of key figures to Consolidated Financial Statements (IFRS)

EUR million	2024	2023
Operating profit	**231.7**	**160.2**
Depreciation, amortisation and impairment losses	188.0	186.0
EBITDA	**419.7**	**346.2**
Items affecting comparability		
Other operating income	-4.2	-0.2
Materials and services	0.2	0.0
Employee benefit expenses	1.2	1.0
Other operating expenses	18.1	7.9
Underlying EBITDA	**435.1**	**354.9**
Depreciation, amortisation and impairment losses	-188.0	-186.0
Impairment losses	1.0	1.4
Depreciation and amortisation arisen from business combinations	41.1	45.4
Underlying EBITA	**289.1**	**215.7**
Impairment losses	-1.0	-1.4
Depreciation and amortisation arisen from business combinations	-41.1	-45.4
Items affecting comparability	0.7	
Underlying operating profit	**247.8**	**168.9**

EUR million	2024	2023
Inventories	9.3	8.2
Trade receivables and other current receivables	186.4	141.6
Trade payables and other current payables	-308.9	-288.7
Net working capital	**-113.2**	**-138.8**

EUR million	2024	2023
Result before taxes	71.3	53.3
Finance expenses	167.6	126.2
Total equity 1 Jan.	975.3	963.5
Total equity 31 Dec.	559.8	975.3
Interest-bearing debt including lease liabilities 1 Jan.	1,802.4	1,777.9
Interest-bearing debt including lease liabilities 31 Dec.	2,376.0	1,802.4
Return on Capital Employed (ROCE), %	**8.4**	**6.5**

EUR million	2024	2023
Result for the year	39.2	40.1
Total equity 1 Jan.	975.3	963.5
Total equity 31 Dec.	559.8	975.3
Return on equity (ROE), %	**5.1**	**4.1**

EUR million	2024	2023
Total equity	559.8	975.3
Total assets	3,377.1	3,189.4
Advances received including contract liabilities	-5.4	-12.2
Equity ratio, %	**16.6**	**30.7**

EUR million	2024	2023
Interest-bearing debt including lease liabilities	2,376.0	1,802.4
Interest-bearing receivables	-2.2	-2.6
Cash and cash equivalents	-120.0	-147.3
Interest-bearing net debt	**2,253.9**	**1,652.5**
Total equity	559.8	975.3
Gearing, %	**402.6**	**169.4**

CONSOLIDATED STATEMENT OF INCOME

EUR million	Note	2024	2023
Revenue	2.1	**2,063.5**	**1,850.2**
Other operating income	2.2	19.3	12.0
Materials and services	2.3	-497.1	-465.7
Employee benefit expenses	2.4	-961.3	-875.0
Depreciation, amortisation and impairment losses	4.4	-188.0	-186.0
Other operating expenses	2.5	-204.7	-175.4
Share of results in associated companies	6.2	0.0	0.0
Operating profit		**231.7**	**160.2**
Finance income and expenses	5.5	-160.4	-107.0
Result before tax		**71.3**	**53.3**
Income taxes	7.1, 7.2	-32.1	-13.2
Result for the year		**39.2**	**40.1**
Result for the year attributable to			
Owners of the parent company		38.9	39.8
Non-controlling interests		0.3	0.3

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

EUR million	Note	2024	2023
Result for the year		**39.2**	**40.1**
Other comprehensive income			
Items that may be subsequently reclassified to profit or loss			
Cash flow hedges	5.3		-11.3
Taxes on items that may subsequently be transferred to profit or loss	7.1		2.3
Translation differences from foreign operations		-2.1	0.3
Other comprehensive income, net of tax		**-2.1**	**-8.7**
Total comprehensive income		**37.1**	**31.4**
Total comprehensive income attributable to			
Owners of the parent company		36.7	31.1
Non-controlling interests		0.3	0.3

The notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

EUR million	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Goodwill	4.2, 4.5	1,841.6	1,740.1
Intangible assets	4.2	476.0	480.1
Right-of-use assets	3.1	556.1	524.2
Property, plant and equipment	4.3	155.9	117.6
Investments in associated companies	6.2	0.0	0.0
Receivables	5.4	7.5	5.2
Other financial assets	5.4	0.9	0.5
Deferred tax assets	7.2	21.2	22.7
Total non-current assets		**3,059.3**	**2,890.4**
Current assets			
Inventories	3.2	9.3	8.2
Trade and other receivables	3.3	186.4	141.6
Current tax assets		2.1	2.0
Cash and cash equivalents	3.4	120.0	147.3
Total current assets		**317.8**	**299.1**
Total assets		**3,377.1**	**3,189.4**

EUR million	Note	31 December 2024	31 December 2023
EQUITY AND LIABILITIES			
Equity attributable to owners of the parent company			
Share capital	5.2	0.0	0.0
Invested unrestricted equity fund	5.2	518.9	971.6
Currency translation difference	5.2	-4.0	-1.9
Retained earnings	5.2	44.3	5.4
Total equity attributable to owners of the parent company		**559.1**	**975.1**
Non-controlling interests		0.7	0.2
Total equity		**559.8**	**975.3**
Non-current liabilities			
Interest-bearing liabilities	5.4	1,737.4	1,205.1
Lease liabilities	5.4	535.7	507.0
Other liabilities	5.4	15.7	8.6
Provisions	3.6	1.2	0.4
Deferred tax liabilities	7.2	106.8	105.1
Total non-current liabilities		**2,396.9**	**1,826.3**
Current liabilities			
Interest-bearing liabilities	5.4	5.1	0.4
Lease liabilities	5.4	97.8	89.8
Trade and other payables	3.5	308.9	288.7
Provisions	3.6	0.8	1.5
Current tax liabilities		7.9	7.4
Total current liabilities		**420.4**	**387.8**
Total liabilities		**2,817.3**	**2,214.1**
Total equity and liabilities		**3,337.1**	**3,189.4**

The notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

		Equity attributable to owners of the parent company							
EUR million	Note	Share capital	Invested unrestricted equity fund	Hedging reserve	Currency translation difference	Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
Equity 1.1.2024		**0.0**	**971.6**		**-1.9**	**5.4**	**975.1**	**0.2**	**975.3**
Comprehensive income									
Result for the year						38.9	38.9	0.3	39.2
Other comprehensive income, net of tax									
Translation differences from foreign operations					-2.1		-2.1		-2.1
Total comprehensive income					**-2.1**	**38.9**	**37.7**	**0.3**	**37.1**
Transactions with owners									
Redemption of shares	5.2		-452.8				-452.8		-452.8
Transaction costs related directly to the issue of new shares, net of tax	5.2		0.0				0.0		0.0
Total transactions with owners			**-452.8**				**-452.8**		**-452.8**
Transactions with non-controlling interests									
Invested equity of non-controlling interests								0.1	0.1
Total transactions with non-controlling interests								**0.1**	**0.1**
Equity 31.12.2024		**0.0**	**518.9**		**-4.0**	**44.3**	**559.1**	**0.7**	**559.8**

The notes are an integral part of the Consolidated Financial Statements.

EUR million	Note	Share capital	Invested unrestricted equity fund	Hedging reserve	Currency translation difference	Retained earnings	Total equity attributable to owners of the parent company	Non-controlling interests	Total equity
		Equity attributable to owners of the parent company							
Equity 1.1.2023		**0.0**	**991.2**	**9.0**	**-2.2**	**-34.4**	**963.7**	**-0.2**	**963.5**
Comprehensive income									
Result for the year						39.8	39.8	0.3	40.1
Other comprehensive income, net of tax									
Cash flow hedging	5.3, 7.1			-9.0			-9.0		-9.0
Translation differences from foreign operations					0.3		0.3		0.3
Total comprehensive income				**-9.0**	**0.3**	**39.8**	**31.1**	**0.3**	**31.4**
Transactions with owners									
Share issues	5.2		2.2				2.2		2.2
Redemptions of shares	5.2		-21.8				-21.8		-21.8
Transaction costs related directly to the issue of new shares, net of tax	5.2		0.0				0.0		0.0
Total transactions with owners			**-19.6**				**-19.6**		**-19.6**
Transactions with non-controlling interests									
Invested equity of non-controlling interests								0.1	0.1
Total transactions with non-controlling interests								**0.1**	**0.1**
Equity 31.12.2023		**0.0**	**971.6**		**-1.9**	**5.4**	**975.1**	**0.2**	**975.3**

The notes are an integral part of the Consolidated Financial Statements.

CONSOLIDATED STATEMENT OF CASH FLOWS

EUR million	Note	2024	2023
Cash flow from operating activities			
Result for the year		39.2	40.1
Adjustments			
Depreciation, amortisation and impairment losses	4.4	188.0	186.0
Finance income and expenses	5.5	160.4	107.0
Income taxes	7.1	32.1	13.2
Dividends from business operations [1]	2.4	5.2	4.1
Other items		-7.3	0.6
Changes in net working capital			
Change in trade and other receivables		-27.5	23.5
Change in inventories		-0.6	-0.3
Change in trade and other payables		-4.6	28.4
Dividends paid for business operations [1]		-4.5	-5.3
Dividends, interest and other finance income received		5.2	2.4
Taxes paid		-32.4	-15.6
Total cash flow from operating activities		**353.4**	**384.1**
Cash flow from investing activities			
Acquisition of subsidiaries and businesses, net of cash acquired	4.1	-122.5	-47.2
Sale of subsidiaries, net of cash disposed of	4.2		0.2
Investments in property, plant and equipment and intangible assets	4.2, 4.3	-69.8	-40.9
Disposal of property, plant and equipment and intangible assets	4.2, 4.3	1.0	6.1
Loan receivables increase (-) / decrease (+)		-0.2	0.1
Sale of other investments		0.0	0.1
Total cash flow from investing activities		**-191.3**	**-81.8**

EUR million	Note	2024	2023
Cash flow from financing activities			
Share issue	5.2		2.2
Redemption of shares	5.2	-452.8	-21.8
Invested equity of non-controlling interests		0.1	0.1
Redemption of non-controlling interests		-0.1	0.0
Proceeds from loans	5.4	543.0	0.0
Repayment of loans	5.4	-7.9	-4.2
Interests paid		-112.2	-71.1
Other financial expenses paid		-30.2	-3.0
Repayment of lease liabilities	5.4	-96.4	-92.8
Interests paid for lease liabilities		-33.1	-27.1
Total cash flow from financing activities		**-189.5**	**-217.6**
Total cash flows		**-27.5**	**84.6**
Cash and cash equivalents at 1 Jan.		147.3	62.7
Effect of exchange rate difference		0.2	-0.1
Other change in cash and cash equivalents		0.0	
Cash and cash equivalents at 31 Dec.	3.4	**120.0**	**147.3**

1) Dividends on business operations are dividends paid to the shareholders of OmaPartners Oy.

The notes are an integral part of the Consolidated Financial Statements.

1.1 Company information
1.2 Basis of preparation
1.3 Changes in accounting principles
1.4 Adoption of new and amended standards and interpretations
1.5 Critical accounting estimates and assumptions

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL ACCOUNTING PRINCIPLES

The notes to the consolidated financial statements have been grouped into sections based on their nature. The basis of preparation is described as part of this note (Accounting policies for the consolidated financial statements), while the accounting policies directly related to a specific note are presented as part of the note in question. The notes contain the relevant financial information as well as a description of the accounting policies and key estimates and judgements applied for the topics of the individual note.

Symbols to explain notes to the financial statements:

Accounting principles

Critical accounting estimates and assumptions

1.1 Company information

Mehiläinen is a well-known and highly valued private provider of healthcare and social care services, offering comprehensive high-quality services in Finland, Estonia, Sweden and Germany as well as digital healthcare software solutions through its subsidiary BeeHealthy.

115-year-old Mehiläinen is a rapidly developing and growing pioneer in the industry. The group invests in the possibilities of digitalisation as well as in the effectiveness and quality of care across all its business areas. Mehiläinen serves annually 2.2 million customers, and its 890 locations are staffed by a total of over 37,000 employees and private practitioners.

Mehiläinen's ownership

Funds managed by CVC Capital Partners	71%
Varma Mutual Pension Insurance Company	10%
The State Pension Fund of Finland (VER)	6%
Ilmarinen Mutual Pension Insurance Company	5%
Apteekkien Eläkekassa	1%
Valion Eläkekassa	1%
Other investors and private persons, total	6%

The ultimate shareholders of Mehiläinen Group (later Mehiläinen or Group) are limited partnerships with CVC Capital Partners VII Limited acting as General Partner. Other shareholders include Varma Mutual Pension Insurance Company, The State Pension Fund of Finland (VER), Ilmarinen Mutual Pension Insurance Company, Apteekkien Eläkekassa and Valion Eläkekassa (both pension funds) and Group personnel.

The Group's parent company is Mehiläinen Konserni Oy, domiciled in Helsinki. The ultimate parent company of Mehiläinen Konserni Oy is Finnish Healthcare Services S.à r.l., domiciled in Luxembourg. Information on the structure of Mehiläinen Group is provided in note 6.1. A copy of the consolidated financial statements of Mehiläinen is available at Arkadiankatu 6, 00100 Helsinki, Finland and on the internet at **www.mehilainen.fi/en**.

These financial statements were approved by the Board of Directors of Mehiläinen Konserni Oy at a meeting held on 4 February 2025. Under the Finnish Limited Liability Companies Act, shareholders may adopt or reject the financial statements at the Annual General Meeting to be held after the publication of the statements.

1.2 Basis of preparation

Mehiläinen's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the European Union. The consolidated financial statements have been prepared in accordance with the IAS and IFRS standards as well as IFRIC and SIC Interpretations effective on 31 December 2024. The notes to the consolidated financial statements also comply with the Finnish accounting standards and corporate legislation which are complementary to the IFRS regulations.

The consolidated financial statements are presented in euros, which is the functional and presentation currency of the parent company. On initial recognition, the amounts with respect to the result and financial position of the Group companies located outside the euro zone are recorded in the functional currency of each of their operating environments. The consolidated financial statements are presented in million of euros. All figures presented have been rounded, and consequently the sum of individual figures may differ from total presented. Key figures have been calculated using precise figures.

The Group's business operations are primarily located in Finland and therefore typically denominated in euros. Foreign currency transactions have been recorded in the functional currency using the exchange rate prevailing on the transaction date. Foreign currency receivables and liabilities have been converted into euros using the exchange rate prevailing on the balance sheet date. Exchange rate gains and losses arising from foreign currency transactions and the translation of monetary items are recognised in profit or loss. Non-monetary items are measured at the prevailing rates at the transaction date. Exchange rate gains and losses on business transactions are included in the respective items above operating profit.

The consolidated financial statements have been prepared on the historical cost basis, except for the items measured at fair value as required by the standards. The preparation of IFRS financial statements requires the Group's management to make estimates and assumptions as well as judgment in connection with, among other things, the application of accounting principles.

In the consolidated financial statements, the Group classifies assets and liabilities applying the current/non-current distinction. The Group classifies an asset as current when it expects to realise the asset within twelve months after the reporting period. Other assets are classified as non-current. The Group classifies a liability as current when it matures for repayment within twelve months after the reporting period or when the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. Other liabilities are classified as non-current.

1.3 Changes in accounting principles

Mehiläinen has adopted following amendments to the standards from 1 January 2024 onwards:

- Amendments to IAS 1. The amendments specify the requirements for classifying liabilities as current or non-current.

- Amendments to IFRS 16. The amendments in IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction.

- The amendments to IAS 7 and IFRS 7 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. Mehiläinen does not have supplier finance arrangements.

1.4 Adoption of new and amended standards and interpretations

Standards issued that are effective from periods on or after 1st of January 2025 mainly include amendments and improvements to current standards that are not expected to have a material impact on the Group’s consolidated financial statements.

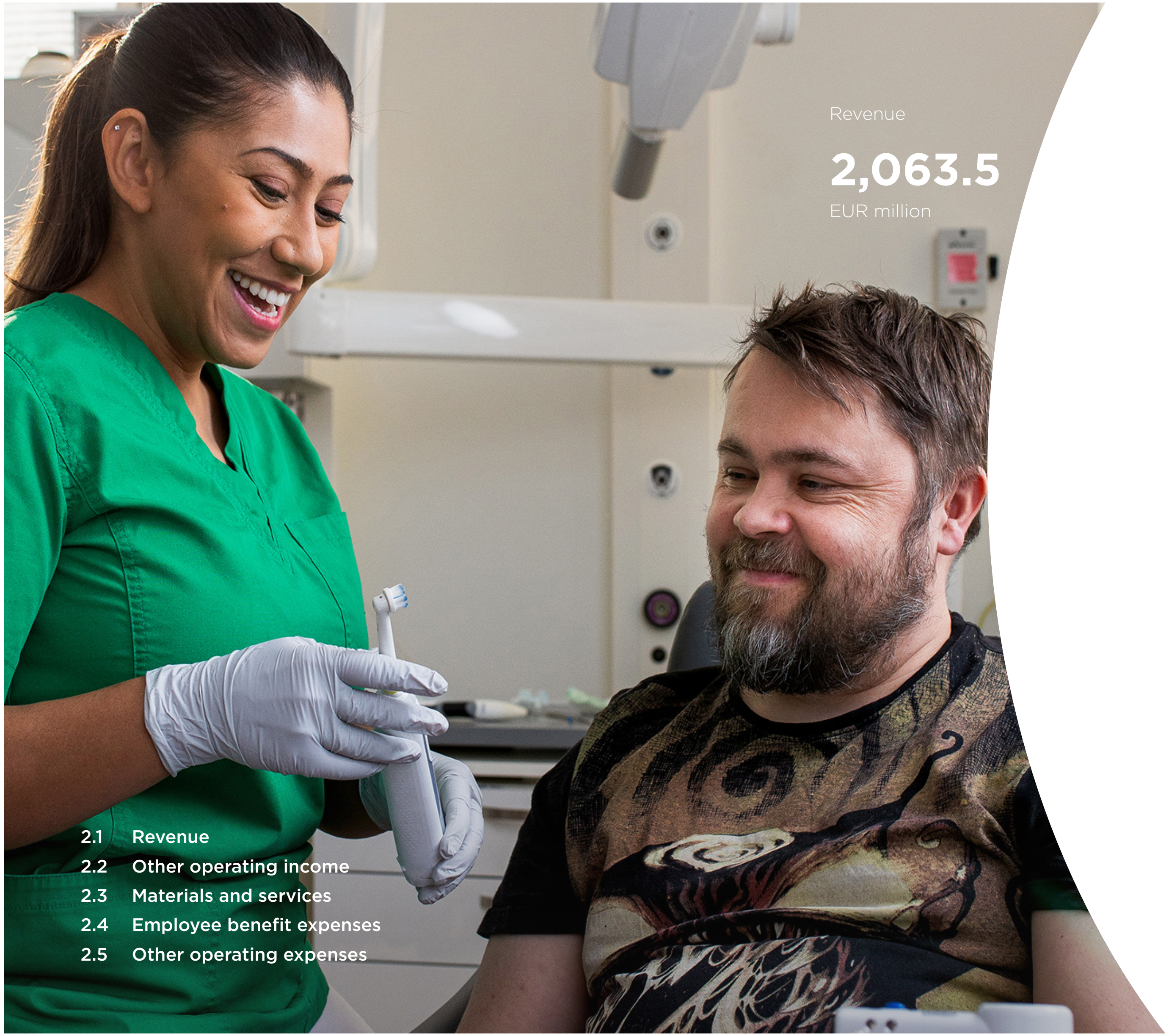
1.5 Critical accounting estimates and assumptions

To prepare the financial statements in compliance with the IFRS standards requires management to make certain estimates and assumptions, as well as to exercise judgement in the application of the accounting principles. These affect the reported amounts of assets and liabilities, contingent liabilities, and income and expense.

Management's estimates and assumptions are based on past experience and a range of other assumptions that are considered reasonable under the current circumstances. Actual result may differ from these estimates and assumptions.

Further information on the judgements used by the management in applying the Group's accounting principles that have the most significant impact on the figures presented in the financial statements, is provided in the following sections:

	Note
Determination of lease-term and use of options	3.1
Determination of the fair value of the assets acquired and liabilities assumed in a business combination and the contingent consideration	4.1
Assumptions used in impairment testing	4.5
Taxable income and deferred tax assets	7.1, 7.2



2.1 Revenue
2.2 Other operating income
2.3 Materials and services
2.4 Employee benefit expenses
2.5 Other operating expenses

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

2. FINANCIAL PERFORMANCE

2.1 Revenue

The Group generates revenue from payments associated with the sale of healthcare and social care services, as well as combinations of these services.

Healthcare services include both private and public sectors. In private healthcare, the performance obligations are primarily linked to services rendered during customer visit. For public healthcare, the obligations pertain to fulfilling commitments outlined in outsourcing or purchase service agreements, hiring staff for public entities, or providing services directly to the end customer's home. In social care services, performance obligations are connected to housing services, institutional and open services, and individually charged additional services.

HEALTHCARE SERVICES

Private services
- Physician services
- Diagnostics
- Hospitals
- Dental care
- Working Life Services
- Psychotherapy and mental health services
- Physiotherapy and well-being services
- Cancer treatments
- Digital healthcare services

Public services
- Health centers with freedom of choice
- Outsourced services and purchased services for primary and specialised healthcare
- Remote and digital services
- Public dental care
- Personnel services
- Home care support services
- Therapy and rehabilitation services

SOCIAL CARE SERVICES

- Residential care services for the elderly
- Mental health and substance abuse rehabilitation
- Residential care services for the disabled
- Child welfare services

The Group sells services to corporate, private and public sector customer.

Corporate customers
- Occupational healthcare clients
- Insurance company clients
- Other corporate clients

Private clients
- Private persons

Public sector customers
- Wellbeing services counties
- Municipalities and joint municipalities
- Public administration

Public sector customers include public sector organisations when subscribing social and healthcare outsourcing services, residential care services, occupational healthcare services and employment services.

Transaction prices are determined by either a standard price list or customer-specific contracts. Revenue is recognised to the extent that the Group expects to be entitled to the services it provides. When determining the amount of sales revenue, the Group considers the terms of the contract with the customer and its usual business practices. The Group's contracts include a range of variable price components, such as bonuses, sanctions or target prices. The Group estimates the variable price components effect to the amount of recognised revenue, for example, based on historical data and demand for services, and then determines the most probable value.

Performance obligations are primarily fulfilled either at a specific point in time when the service is utilized or throughout the contract duration. Payments from long-term contracts are recognized over time if the contract involves maintaining readiness to deliver pre-determined services, such as to the population in a specific area. In such instances, the customer simultaneously receives and consumes the benefit as Mehiläinen delivers the service.

Regarding the private practitioners' services in Mehiläinen premises, the Group acts as a principal and recognises the practitioners' invoicing in its revenue and the cost of practitioners' services in materials and services.

Mehiläinen sells the platform solution it has developed to other international operators in the industry and wellbeing services counties. The platform solution is delivered as a cloud service (Software as a Service, SaaS) and can be integrated into the customer's systems on a case-by-case basis. The software service includes the right to use the platform solution, localisation according to the customer's needs and the maintenance of the service. The commissioning project involves capitalized assets, and the sales revenues related to the opening operations are recognised evenly over the contract period. Transaction type revenues based on the use of the service and the actual number of users are recognised on a monthly basis based on the validity of the agreement.

In the context of outsourcing contracts, the subscriber may allow Mehiläinen to utilize their goods or services to enhance service production. In such cases, Mehiläinen assesses whether it obtains control over the provided goods or services. If control is established, these goods or services are treated as non-monetary consideration received from the contracting party.

As part of outsourcing contracts, Mehiläinen may obtain, at no cost, the public entity's infrastructure or the part of it operating in the outsourcing service. This infrastructure can include buildings, machinery, equipment, and facilities. The recognition of outsourcing contracts follows IFRIC 12 Service Concession Arrangements if the outsourcing party determines the scope and pricing of the services provided by Mehiläinen, and Mehiläinen returns the infrastructure at no cost at the end of the outsourcing contract. In such situations, Mehiläinen is not deemed to have control over the goods received free of charge from the public entity.

Mehiläinen uses a practical expedient for presenting the transaction price allocated to remaining performance obligations on the reporting date. The Group's remaining performance obligations, which are still outstanding at the reporting date, are generally part of a contract with an initial expected duration of one year or less, or the revenue recognised corresponds to the value of Mehiläinen's performance to the customer by the time of review. The Group's customer contracts do not include significant financing components or incremental expenses arising from obtaining the contracts.

TOTAL REVENUE DISTRIBUTION

63.2%
Healthcare services - Finland

29.1%
Social care services

7.7%
Healthcare international

Revenue by businesses

EUR million	2024	2023
Healthcare services - Finland	1,304.0	1,185.9
Social care services	601.0	540.6
Healthcare international	158.6	123.7
Total	**2,063.5**	**1,850.2**

Revenue by customers

EUR million	2024	2023
Corporate customers	540.6	498.6
Private customers	415.2	359.6
Public sector customers	1,107.7	992.1
Total	**2,063.5**	**1,850.2**

The Group's revenue consist of three line of business. Measured by revenue, Healthcare services - Finland is the largest business, accounting for 63.2 percent of the total revenue. Healthcare international's revenue consists of companies acquired in Estonia, Sweden, Germany and BeeHealthy business.

Contract assets are presented in connection with Note 3.3 and contract liabilities in connection with Note 3.5. Additional information on the Group's trade receivables is presented in Note 5.3.

2.2 Other operating income

Other operating income includes income outside normal service production. For example:

- rental income from subleased unused premises,
- capital gains from sale of tangible and intangible assets and businesses,
- compensation received from insurance companies,
- income from revaluation of additional purchase price considerations; and
- government grants for for service development and other government grants

Government grants are recognised as accrued income in the statement of financial position when such grants are probable and the Group satisfies the eligibility criteria. The grants are recognised as income for the period in which the expenses covered by the grant are incurred.

EUR million	2024	2023
Rental income from sublease	4.1	4.6
Gains on sale of intangible and tangible assets and investments	1.9	0.9
Other income	13.3	6.6
Total	**19.3**	**12.0**

2.3 Materials and services

Materials and services include costs directly related to service production. Purchases include purchases of materials, supplies and goods used in the service production. Due to the services produced without VAT, Mehiläinen cannot deduct the majority of the VAT related to purchases, but records it in full as an expense.

General and specialist doctors, dentists, physiotherapists, nutritionists, psychologists, psychotherapists and other healthcare professionals work as private practitioners at Mehiläinen's premises. Mehiläinen also purchases subcontracting services from professionals for its own service offering.

Other external services include e.g. purchases of health and dental care services, purchases of food services, purchases of occupational well-being services, purchases of rental and washing of use textiles for residents and staff and labor hire costs.

EUR million	2024	2023
Raw materials and consumables		
Purchases during the period	93.3	86.4
Change in inventories	-0.6	-0.3
Private practitioners' services	316.1	286.5
Other external services	88.3	93.0
Total	**497.1**	**465.7**

2.4 Employee benefit expenses

Healthcare professionals work in the Mehiläinen Group as employees or private practitioners. The fees to practitioners are included in materials and services and presented in note 2.3.

The right of OmaPartners Oy shareholder practitioners to draw funds from the company as a dividend at a later date based on their work performance in the reporting period is treated as a short-term employee benefit expense in the statement of income because in accordance with IFRS it is considered a remuneration in exchange for rendered employee service. Liability to the shareholders is included in other current liabilities in the statement of financial position.

Short-term employee benefits are recognised in the period in which they arise. Incentive and performance bonuses are recognised as expenses when the obligation to make the payments arises and the amounts can be reliably estimated. The Group does not have any share-based incentive plans.

The Group has defined contribution plans with external insurance companies in respect of which the Group does not have a legal or constructive obligation to make additional payments in case the payment recipient is unable to pay the pension benefits. The contributions payable under defined contribution plans are recognised as expenses in the statement of income for the period to which the payments relate.

Private practitioners are responsible for their own social security expenses and pension contributions.

14,985
Average number of personnel

15,777
Number of personnel at the end of the period

EUR million	2024	2023
Salaries and fees	796.5	717.5
Pension expenses, defined contribution plans	127.3	116.2
Other personnel expenses	37.4	41.3
Total	**961.3**	**875.0**

Number of personnel (full-time equivalents)	2024	2023
Average number of personnel	14,985	14,207
Number of personnel at the end of the period	15,777	14,830

Number of personnel by geographical areas (full-time equivalents) at the end of period	2024	2023
Finland	14,295	13,606
Sweden	582	520
Estonia	555	498
Germany	345	206
Total	**15,777**	**14,830**

The number of people working in Mehiläinen as private practitioners is not included in the number of personnel stated above.

See note 7.3 for information on the remuneration of the key management.

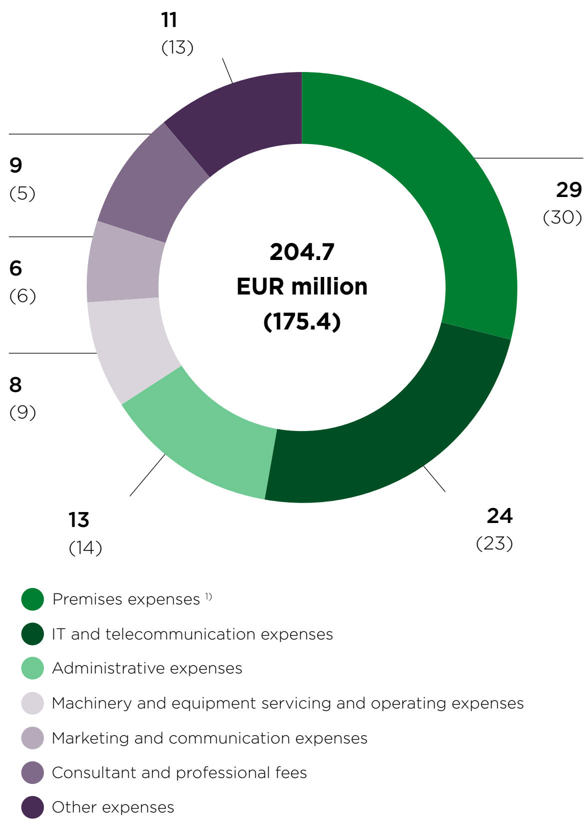
2.5 Other operating expenses

Other operating expenses include expenses other than the cost of goods sold, such as premises, IT and telecommunication, administrative, maintenance and operating for machinery and equipment, and marketing and communication. In addition, lease payments recognised in the statement of income on leases classified as short-term leases or leased assets classified as of low value are included in other operating expenses as well as non-index-based variable leases recognised as an expense. Other operating expenses also include losses arising from the disposal of tangible and intangible assets. Due to the services produced without VAT, Mehiläinen cannot deduct the majority of the VAT related to other operating expenses, but records it in full as an expense.

EUR million	2024	2023
Rents		
Short-term leases and low value assets	7.7	6.1
Variable rents	9.9	9.4
Premises	40.9	37.8
IT and telecommunication	48.5	40.9
Administrative	27.6	24.2
Maintenance and operating costs of machinery and equipment	16.4	15.9
Marketing and communication	12.0	10.8
Consultant and professional fees	18.8	8.1
Other expenses	22.9	22.3
Total	**204.7**	**175.4**

Other operating expenses

%



1) Includes IFRS 16 short-term leases and low-value assets and variable leases recorded as an expense

Auditor's fees

EUR million	2024	2023
Ernst & Young Oy		
Audit fees	1.1	1.0
Tax advisory	0.2	0.1
Other fees	7.7	1.4
Total	**9.0**	**2.5**

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

3. OPERATING ASSETS AND LIABILITIES

3.1 Right-of-use assets

Mehiläinen primarily acquires its premises through rental agreements. Additionally, the Group leases machinery, equipment, and vehicles for business operations. IFRS 16 Leases offers a recognition exemption that allows lessees to opt not to capitalize short-term leases or low-value assets on the balance sheet. The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. Mehiläinen recognises lease payments associated with these leases as an expense over the lease term.

The right-of-use asset is based on the lessee's right to use the asset and the lease liability on the lessee's obligation to pay lease payment. The right-of-use asset is recognised at the present value of the future lease payments, using the interest rate on an additional loan as the discount rate, in which case the value of the right-of-use asset equals the amount of the lease liability at the time of the agreement. The Group separates non-lease components, such as service components, and recognises them as expenses when incurred. Options to extend the lease and penalties for early termination are included in the lease term only when their exercise is reasonably certain. Variable rents linked to an index are included in the right-of-use assets and the lease liability. Restoration costs are included in the initial value of right-of-use assets.

In fixed-term contracts, the lease term extends to the end of the term, aligning with the non-cancellable period as defined by the standard. For leases that are valid until further notice, the lease term is estimated, and any extension options expected to be exercised are included in the lease period. The notice period is also considered part of the lease term. If the lease is based on a framework agreement with the customer, it is taken into account when determining the lease term. The lease commences on the day the property is made available to Mehiläinen. For instance, in new developments, this involves disclosing the lease liability in the notes until operations at the premises commence.

The lease liability is remeasured and adjusted against the right-of-use asset if the cash flow in accordance with the original terms and conditions of lease changes. The lease liability is remeasured on the effective date of lease modification, and the consequent change is recognised as an adjustment to the right-of-use asset. If the reduction in lease liability exceeds the right-of-use asset, the difference is recognised in profit or loss.

Determination of lease-term and use of options

Management uses judgement in determining lenght of the lease-term in accordance with IFRS 16. Typically, temporary lease contracts are assumed to end at the end of the term specified in the agreement. For agreements valid until further notice, the assumed termination date is considered the presumed end date. The use of renewal options is based on case-by-case judgement on the expected outcome.

	2024			2023		
EUR million	Buildings and land	Machinery and equipment	Total	Buildings and land	Machinery and equipment	Total
Cost at 1 January	**1,060.3**	**4.1**	**1,064.5**	**986.2**	**4.2**	**990.4**
Business combinations	43.9	2.0	45.9	15.2	0.0	15.2
Additions	36.0	0.9	36.9	38.5	1.1	39.6
Disposals	-26.9	-1.7	-28.7	-39.9	-1.1	-41.0
Increase/decrease due to revaluation	52.4		52.4	60.2	0.0	60.3
Reclassifications		-2.0	-2.0			
Effect of movements in exchange rates	-0.6	0.0	-0.6	0.0	0.0	0.0
Cost at 31 December	**1,165.2**	**3.3**	**1,168.5**	**1,060.3**	**4.1**	**1,064.5**
Accumulated depreciation and impairment losses at 1 January	**-538.1**	**-2.2**	**-540.3**	**-482.1**	**-2.0**	**-484.1**
Depreciation for the financial year and impairment losses	-97.5	-1.4	-98.9	-94.5	-1.4	-95.9
Accumulated depreciation on disposals	25.0	1.7	26.7	38.6	1.1	39.7
Effect of movements in exchange rates	0.2	0.0	0.2	0.0	0.0	0.0
Accumulated depreciation and impairment losses at 31 December	**-610.4**	**-1.9**	**-612.3**	**-538.1**	**-2.2**	**-540.3**
Carrying amount 31 December	**554.7**	**1.4**	**556.1**	**522.3**	**1.9**	**524.2**

Depreciation and impairment of right-of-use assets are presented in Note 4.4. Additional information on lease liabilities related to right-of-use assets is provided in Notes 5.3 and 5.4. Rents recognised as an expense are presented in Note 2.5, while rental income from subleases is covered in Note 2.2.

3.2 Inventories

The Group's inventories include materials and supplies required for the rendering of services. Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business less direct costs necessary to make the sale. The cost of inventories is based on the first-in, first-out principle. Any need for write-downs is assessed when the net realisable value is determined.

EUR million	2024	2023
Materials, supplies and consumables 1 Jan.	8.2	7.9
Business combinations	0.5	0.0
Change in inventories	0.6	0.3
Total	**9.3**	**8.2**

3.3 Trade and other receivables

Trade receivables are carried at original invoiced amount less any impairment losses. Impairment is estimated based on the expected credit losses over the term in accordance with IFRS 9. The Group has applied the standard's simplified approach for recognising impairment of trade receivables using the provision matrix based on historical loss rates. In addition, impairment is recognised, if there is other evidence of a debtor's insolvency, bankruptcy or liquidation. Any impairment loss on trade receivables is recorded as an expense under other operating expenses. If a previously expensed item is later settled, it is recognized as a reduction in other operating expenses.

See note 5.3 for additional infomation on the credit risks related to trade receivables.

EUR million	2024	2023
Current		
Trade receivables	152.5	109.1
Prepaid expenses and accrued income		
Contract assets	14.3	18.4
Personnel related deferred expenses	0.0	0.1
Other prepaid expenses and accrued income	12.9	11.7
Loan receivables	0.0	0.0
Other receivables	6.6	2.4
Total	**186.4**	**141.6**

3.4 Cash and cash equivalents

Cash and cash equivalents consist of cash, demand deposits and other current, highly liquid investments, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value. Items classified as cash and cash equivalents have a maximum maturity of three months from the date of acquisition. Acquisition related escrow accounts are presented under non-current or current receivables.

EUR million	2024	2023
Cash and cash equivalents	120.0	147.3
Total	**120.0**	**147.3**

3.5 Trade and other payables

EUR million	2024	2023
Current		
Trade payables	44.3	48.1
Accrued expenses and deferred income		
Personnel related accrued expenses	153.9	146.5
Contract liabilities	5.4	12.2
Other accrued expenses and deferred income	19.1	10.6
Other liabilities		
Unpaid private practitioners' services	48.7	42.0
Contingent considerations (acquisition related)	8.9	2.6
Acquisition related purchase price liabilities	1.3	2.1
Other liabilities	27.4	24.6
Total	**308.9**	**288.7**

Other payables consist mainly of personnel related accrued expenses and unpaid private practitioners' services.

Further information on contingent considerations and acquisition related purchase price liabilities are presented in Note 4.1.

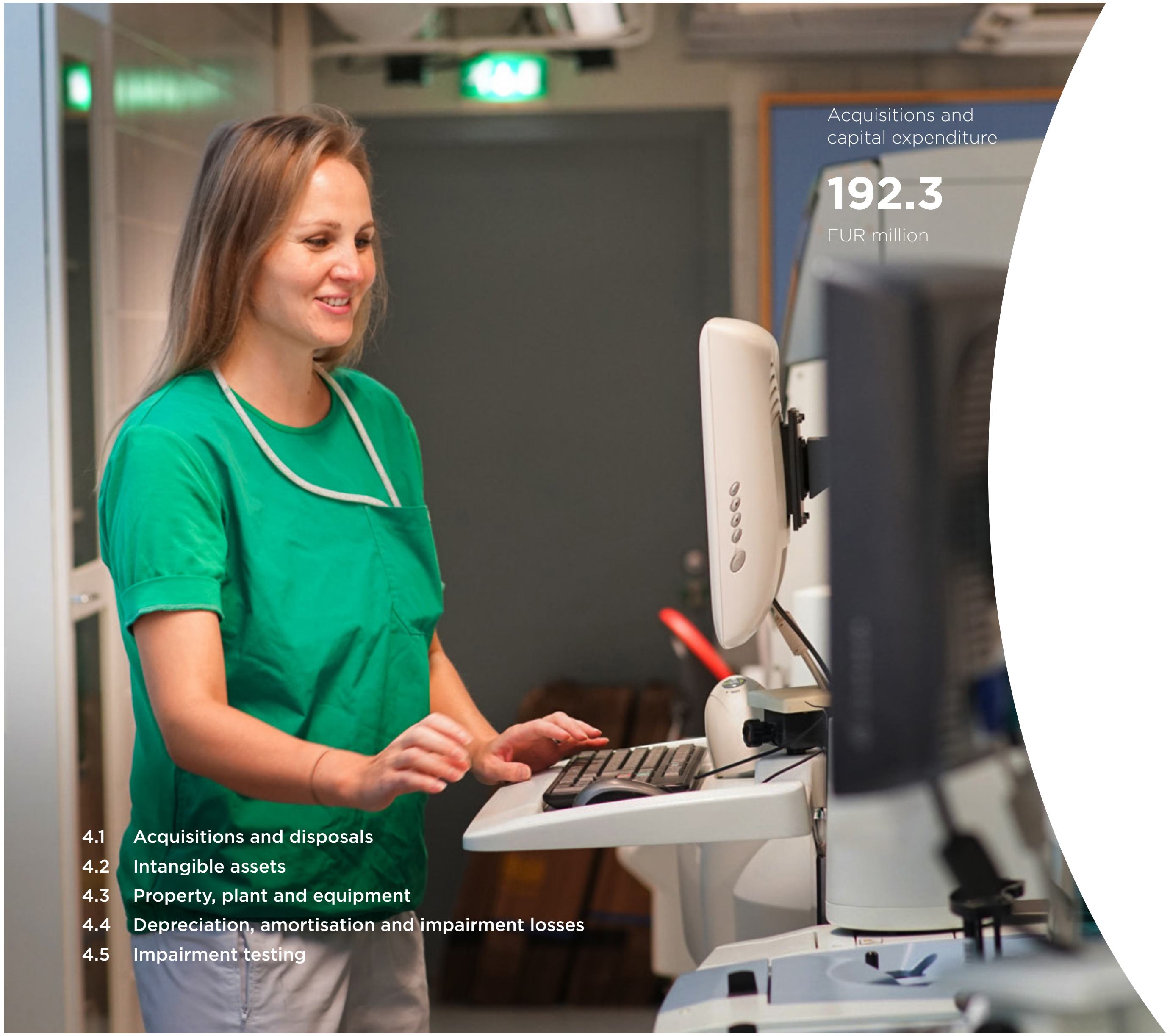
3.6 Provisions

A provision is recognised when the Group has a legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation, or a financial loss can be measured reliably. The provision amount reflects management's best estimate of the expenditure needed to settle the present obligation at the end of the reporting period.

A provision for onerous contracts is recognized when the costs required to fulfill the obligations surpass the benefits to be derived from the contract. A restructuring provision is recognized when the Group has a detailed formal plan, and either its implementation has commenced or the key aspects of the plan have been communicated to those impacted. A restoration provision is recognised when the Group has a contractual obligation to restore the land or premises to their original condition.

	2024		
EUR million	Onerous contracts	Other provisions	Total
1 January	**0.0**	**1.9**	**1.9**
Additions	0.1	0.6	0.7
Business combinations		1.8	1.8
Provisions used		-2.4	-2.4
31 December	**0.1**	**1.9**	**2.0**

	2023		
EUR million	Onerous contracts	Other provisions	Total
1 January	**0.3**	**1.1**	**1.3**
Additions		0.7	0.7
Business combinations		0.3	0.3
Provisions used	-0.3	-0.1	-0.3
31 December	**0.0**	**1.9**	**1.9**



Acquisitions and capital expenditure

192.3

EUR million

4.1 Acquisitions and disposals
4.2 Intangible assets
4.3 Property, plant and equipment
4.4 Depreciation, amortisation and impairment losses
4.5 Impairment testing

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

4. ACQUISITIONS AND CAPITAL EXPENDITURE

4.1 Acquisitions and disposals

When the Group acquires assets either through acquisition or other arrangements, the management evaluates the true nature of the assets and related business to determine whether the transaction is considered as a business combination.

When an asset item or group of assets does not constitute a business, the acquisition is not treated as a business combination. In such a case, the Group recognises the acquisition as individual identifiable assets and the liabilities assumed. Cost is allocated to the individual assets and liabilities in proportion to their fair value at the time of the acquisition. No goodwill is generated as a result of such a transaction.

Acquisitions of assets and liabilities constituting a business are accounted for as business combinations. The Group recognises business combinations using the acquisition method. The accounting method is the same irrespective of whether the Group acquires the shares of the company or its business operations in full or in part. The identifiable assets acquired and liabilities assumed are measured at fair value as of the acquisition date. Acquisition-related costs are recognised in the statement of income under other operating expenses.

The classifications or determinations related to business combinations are made based on the terms of contract, economic conditions, the operating or accounting principles applied by the Group, and other pertinent circumstances prevailing at the time of acquisition.

If the initial accounting for a business combination can be determined only provisionally by the end of the first reporting period, the Group discloses these business combinations using provisional amounts. Adjustments to provisional amounts, and the recognition of newly identified asset and liabilities, is made within the measurement period where they reflect new information obtained about facts and circumstances that were in existence at the acquisition date. The measurement period does not exceed one year from the acquisition date.

Goodwill arising on the acquisition of foreign operations and the fair value adjustments of assets and liabilities made upon their acquisition are treated as assets and liabilities of these foreign operations and translated into euros at the rate of the acquisition date.

Determination of the fair value of contingent consideration and assets acquired and liabilities assumed

The fair values of acquired assets and liabilities are determined based on available market values, where possible. If market values are not available, the valuation is based on the asset's estimated ability to generate income and its future use in Mehiläinen's business. In particular, the measurement of intangible assets is based on the present values of future cash flows and requires management's estimates of future cash flows, discount rates and the use of assets.

The acquisition-date fair value of contingent consideration is recognised as part of the consideration transferred. When contingent consideration is classified as a financial liability, it is recognised at fair value at the end of the reporting period and the change in fair value is recognised to profit or loss.

Management estimates that the estimates and assumptions used are sufficiently accurate determining fair value. In addition, the Group regularly reviews possible indications of impairment of tangible and intangible assets.

Disposals

During 2024 Mehiläinen sold its associated company Laser-Porus Oy against cash consideration. The sale did not have significant impact on the result, assets and liabilities of the Group.

Acquisitions

In 2024, Mehiläinen has grown through acquisitions. The acquisitions have diversified the Group's range of services, strengthened the Group's market position and expanded the unit network in Finland, Sweden, Estonia and Germany. Some of the acquisitions in 2024 include contingent considerations. The contingent considerations have been determined using the income approach.

Healthcare services - Finland

Acquiree	Acquisition date	Line of business	Home municipality
Mastodont Oy's dental care business	1 March 2024	Dental care services	Joensuu
Mikkelin Terveys Oy's imaging and osteoporosis examination business	20 May 2024	Private healthcare services	Mikkeli
CogniMed Oy	3 June 2024	Other health care services	Helsinki
Itä-Suomen Magneetti Oy	8 August 2024	Diagnostic imaging examinations	Joensuu
Docrates Oy	2 September 2024	Other health care services	Helsinki
Dentopal Oy and Dentomed Oy's dental care business	2 September 2024	Dental care services	Porvoo
Rehamark Oy's physiotherapy business	6 September 2024	Physiotherapy	Järvenpää
Kaakon Kuntohoito Oy's intensive medical rehabilitation pool and physiotherapy business	2 October 2024	Physiotherapy	Hamina
Nokian NeuroFysio Oy	1 November 2024	Physiotherapy	Nokia
Bodymind Oy Kuntoutuspalvelut	1 November 2024	Physiotherapy	Tampere

Social care services

Acquiree	Acquisition date	Line of business	Home municipality
HoivaPerho Oy	1 February 2024	Child welfare services	Helsinki
Hoivamme Group	3 May 2024	Sheltered housing activities for the elderly	Helsinki
Kuntoutus Korte Oy	5 November 2024	Child welfare services	Kuopio

Healthcare international

Acquiree	Acquisition date	Line of business	Home municipality
Dr. Fischer's orthopedic business	26 March 2024	Private health care services	Landstuhl, Germany
Dr. Kastner's ENT business	30 May 2024	Private health care services	Kircheim-Bonlanden, Germany
City Hambakliinik OÜ's dental care business	10 June 2024	Dental care services	Tartu, Estonia
City Kliinik Tallinn OÜ's dental care business	10 June 2024	Dental care services	Tallinn, Estonia
CityDental Kuressaare OÜ's dental care business	10 June 2024	Dental care services	Kuressaare, Estonia
Kuressaare Hambalabor OÜ's dental laboratory business	10 June 2024	Dental care services	Kuressaare, Estonia
Gelenkzentrum Rhein-Main, Hochheim GbR's business	1 October 2024	Private health care services	Hochheim, Germany
Cevitagruppen Group	7 October 2024	Specialist care	Stockholm, Sweden
Lill-Jans Husläkarmottagning AB	1 November 2024	Public primary healthcare	Stockholm, Sweden
SKHLM Vårdcentral AB	4 November 2024	Public primary healthcare	Stockholm, Sweden

EUR million	Note	2024	2023
Assets			
Intangible assets	4.2	36.1	11.6
Right-of-use assets	3.1	45.9	15.1
Property, plant and equipment	4.3	16.8	5.6
Non-current receivables		0.7	0.2
Other financial assets		0.0	0.1
Deferred tax assets	7.2	1.4	0.2
Loan receivables		0.0	0.1
Inventories	3.2	0.5	0.0
Trade and other receivables		13.1	2.3
Cash and cash equivalents		6.3	6.1
Total assets		**120.8**	**41.2**
Liabilities			
Interest-bearing liabilities	5.4	10.9	3.6
Lease liabilities	5.4	45.9	15.1
Other non-current liabilities	5.4	0.0	
Provisions	3.6	1.8	0.3
Deferred tax liabilities	7.2	5.7	2.3
Trade and other payables		16.4	5.2
Total liabilities		**80.7**	**26.5**
Total identifiable net assets		**40.1**	**14.6**
Consideration transferred			
Cash consideration		123.3	43.3
Acquisition related purchase price liabilities / receivables		-0.6	4.5
Contingent considerations		20.8	4.0
Total consideration transferred		**143.6**	**51.9**
Goodwill arising from the acquisitions		**103.5**	**37.2**

EUR million	Note	2024	2023
Cash flow impact			
Cash consideration		-125.1	-46.3
Cash and cash equivalents of the acquired entities		6.3	6.1
Purchase price, additional purchase price and net cash liabilities paid related to business combinations from previous years		-3.7	-7.0
Total cash flow impact		**-122.5**	**-47.2**

In 2024, the Group did not make any significant individual acquisitions and the acquisitions are presented combined. Acquisitions made in 2024 have been presented preliminary.

The total consideration paid for subsidiary and business acquisitions was EUR 122.5 (47.2) million. Contingent considerations recognised for the acquisitions amounted to EUR 20.8 (4.0) million in total. Contingent considerations are based on the net sales, sales, EBITDA, EBIT and salary margin, the number of doctors' appointments held and business development between 2024–2027. If all the contingent considerations that have not yet been paid on the reporting date were to be realized at the maximum amount stated in the purchase agreement, the amount of contingent consideration liabilities would be EUR 57.8 (17.6) million. As regards acquisitions with no limit for the maximum amount of contingent consideration, the related maximum contingent consideration is calculated at its balance sheet value. The asset transfer tax and advisor fees arising from subsidiary and business acquisitions, a total of EUR 9.2 (2.7) million, are recognised under other operating expenses in the statement of income.

The total effect of the acquisitions on the Group's revenue was EUR 44.9 (11.9) million and on the result EUR 0.0 (0.9) million. The Group's revenue in 2024 would have been EUR 2,136.8 (1,880.0) million and result of the year EUR 39.3 (42.6) million had the subsidiaries and businesses been consolidated from the beginning of the 2024 reporting period.

Events after the reporting period are presented in note 7.4.

4.2 Intangible assets

Goodwill equals the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired company or business at the date of the acquisition. Goodwill is not amortised but it is tested annually for impairment. For impairment testing, goodwill is allocated to cash-generating units. Goodwill is recognised at cost less impairment losses, and more details are provided in Note 4.5. The goodwill generated from the acquisition of associated companies is included in the cost of the associate in the Group's statement of financial position.

Intangible assets having indefinite useful life are not amortised. They are tested for the impairment annually and always if there are implications of a possible impairment. These intangible assets include trademarks acquired in business combinations and they are recognised at the fair value of the acquisition date.

Intangible assets include trademarks and customer relationships acquired in connection with business combinations, as well as other intangible assets. Intangible assets acquired in a business combination are measured at fair value at the time of acquisition. Other intangible assets are capitalised at the original acquisition cost. Intangible asset is capitalised only if the acquisition cost of the asset can be determined reliably and if it is probable that the expected economic benefits associated with the asset will flow to the Group. After initial recognition, intangible assets are measured at cost less accumulated amortisation and impairment losses.

Prepayments and work in progress are not depreciated but are tested annually for impairment.

Research costs are recognised as an expense. Development costs are capitalised when IAS38 criteria is met. Development projects relate to development of OmaMehiläinen digital services and the development of the Group's subsidiary BeeHealthy's digital platform solution.

Service expenses related to the acquitision of IT systems are recognised in the statement of income. Implementation and customising costs are recognised as an asset and depreciated over the term of the service contract. The costs of information systems acquired as a service are recognized in profit or loss. The costs incurred for the implementation and customisation of information systems are recognised as an expense or amortized over the term of the service agreement, depending on the implementation project. The integration portion of the systems controlled by the Group is capitalized in the balance sheet and depreciated over the term of the service agreement.

Assets related to customer agreements are capitalized when the criteria are met and amortised during the expected term of the customer agreement.

Any gain or loss arising from the derecognition of an intangible asset is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the asset and recognised in the statement of income under other operating income or expenses.

EUR million	2024					
	Goodwill	Trademarks	Customer relationships	Other intangible assets and prepayments	Development costs	Total
Cost at 1 January	**1,740.1**	**343.4**	**320.9**	**23.8**	**19.5**	**2,447.6**
Business combinations	103.5	6.7	15.8	13.6		139.6
Additions				9.3	0.1	9.3
Disposals				-7.8	0.0	-7.8
Reclassifications		0.0	0.0	-2.3	4.0	1.7
Effect of movements in exchange rates	-1.9	0.0	-0.5	0.0	0.0	-2.4
Cost at 31 December	**1,841.6**	**350.1**	**336.2**	**36.6**	**23.5**	**2,588.0**
Accumulated amortisation and impairment losses at 1 January	**0.0**	**-6.9**	**-198.9**	**-14.4**	**-7.3**	**-227.4**
Amortisation for the financial year and impairment losses	0.0	-1.4	-39.0	-4.6	-4.3	-49.3
Accumulated amortisation on disposals and transfers between items				6.2		6.2
Effect of movements in exchange rates		0.0	0.2	0.0	0.0	0.2
Accumulated amortisation and impairment losses at 31 December	**0.0**	**-8.3**	**-237.7**	**-12.8**	**-11.5**	**-270.3**
Carrying amount 31 December	**1,841.6**	**341.8**	**98.5**	**23.8**	**11.9**	**2,317.7**

EUR million	2023					
	Goodwill	Trademarks	Customer relationships	Other intangible assets and prepayments	Development costs	Total
Cost at 1 January	**1,702.2**	**343.4**	**310.5**	**22.3**	**14.9**	**2,393.4**
Business combinations	37.2		10.2	1.4		48.9
Additions				5.0	0.1	5.1
Disposals				-1.7	-0.1	-1.8
Reclassifications			0.0	-3.2	4.6	1.3
Effect of movements in exchange rates	0.6	0.0	0.2	0.0	0.0	0.8
Cost at 31 December	**1,740.1**	**343.4**	**320.9**	**23.8**	**19.5**	**2,447.6**
Accumulated amortisation and impairment losses at 1 January	**0.0**	**-4.7**	**-156.2**	**-12.3**	**-4.0**	**-177.1**
Amortisation for the financial year and impairment losses	0.0	-2.2	-42.6	-3.9	-3.4	-52.1
Accumulated amortisation on disposals and transfers between items				1.8	0.1	1.9
Effect of movements in exchange rates		0.0	-0.1	0.0	0.0	-0.1
Accumulated amortisation and impairment losses at 31 December	**0.0**	**-6.9**	**-198.9**	**-14.4**	**-7.3**	**-227.5**
Carrying amount 31 December	**1,740.1**	**336.5**	**122.0**	**9.4**	**12.2**	**2,220.2**

4.3 Property, plant and equipment

Property, plant and equipment are carried at cost less accumulated depreciation and impairment losses. Costs include the purchase price and any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. With business combinations, the acquisition cost of a property, plant and equipment is its fair value at the time of acquisition.

Costs arising at later date are included in the carrying amount of an asset only when it is likely that the future financial benefit associated with the asset will benefit the Group and when the acquisition cost of the asset can be reliably determined. Ordinary costs of repair and maintenance are recognised as incurred. The residual value and useful life of assets is reviewed regularly and, if necessary, adjusted to reflect any changes in the expected economic benefit.

The improvement cost of leasehold premises is due to repairs and modifications necessary to make the premises suitable for the Group's business operations, and these costs are depreciated over the remaining term of the lease as specified in the lease agreement. If the lease is valid for an indefinite term, a specific assessment of useful life is made by the management.

Prepayments and construction in progress are not depreciated but are tested annually for impairment.

Property, plant and equipment is derecognised when disposed of or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from the derecognition of an item of property, plant and equipment is included in other operating income or other operating expenses.

	2024				
EUR million	**Buildings and land**	**Improvements to leasehold premises**	**Machinery and equipment**	**Prepayments and construction in progress**	**Total**
Cost at 1 January	**19.6**	**70.7**	**108.4**	**15.1**	**213.8**
Business combinations	3.2	3.3	10.3		16.8
Additions	0.2	3.8	17.8	40.0	61.8
Disposals	-0.8	-14.9	-31.8	-1.6	-49.1
Reclassifications	-0.5	18.3	11.8	-27.6	2.0
Effect of movements in exchange rates	0.0	0.0	-0.1	0.0	-0.1
Cost at 31 December	**21.7**	**81.1**	**116.6**	**25.8**	**245.2**
Accumulated depreciation and impairment losses at 1 January	**-8.1**	**-35.3**	**-52.8**		**-96.2**
Depreciation and impairment losses for the financial year	-1.1	-14.1	-24.4		-39.6
Accumulated depreciation on disposals and transfers between items	0.6	14.7	31.3		46.6
Effect of movements in exchange rates	0.0	0.0	0.0		0.0
Accumulated depreciation and impairment losses at 31 December	**-8.6**	**-34.8**	**-45.9**		**-89.3**
Carrying amount 31 December	**13.1**	**46.3**	**70.7**	**25.8**	**155.9**

	2023				
EUR million	**Buildings and land**	**Improvements to leasehold premises**	**Machinery and equipment**	**Prepayments and construction in progress**	**Total**
Cost at 1 January	**19.7**	**65.6**	**94.5**	**8.4**	**188.3**
Business combinations	5.0	0.2	0.3		5.5
Additions	0.1	1.4	12.2	22.9	36.6
Disposals	-5.2	-3.6	-6.5	-0.2	-15.5
Reclassifications	0.0	7.1	7.9	-16.0	-1.1
Effect of movements in exchange rates	0.0	0.0	0.0	0.0	0.0
Cost at 31 December	**19.6**	**70.7**	**108.4**	**15.1**	**213.8**
Accumulated depreciation and impairment losses at 1 January	**-6.5**	**-25.3**	**-36.1**		**-67.9**
Depreciation and impairment losses for the financial year	-1.6	-13.4	-22.7		-37.7
Accumulated depreciation on disposals and transfers between items	0.1	3.3	6.0		9.3
Effect of movements in exchange rates	0.0	0.0	0.0		0.0
Accumulated depreciation and impairment losses at 31 December	**-8.1**	**-35.4**	**-52.8**		**-96.3**
Carrying amount 31 December	**11.5**	**35.4**	**55.6**	**15.1**	**117.6**

4.4 Depreciation, amortisation and impairment losses

The amortisation periods for intangible assets with finite useful lives are mainly as follows:

- Trademarks 3–10 years,
- Customer relationships 3–15 years,
- Development costs 5 years and
- Other intangible assets 3–10 years.

As a company and a name Mehiläinen has long history, thus, the Mehiläinen trademark has been assumed an indefinite remaining lifetime. The trademark is tested annually for impairment. Impairment test is described in note 4.5.

The acquisition cost of property, plant and equipment is depreciated over their useful life using straight-line depreciation and the estimated useful lives of property, plant and equipment are mainly as follows:

- Buildings 10–30 years,
- Improvements to leasehold premises 3–15 years, and
- Machinary and equipment 3–10 years.

Right-of-use assets are depreciated on a straight-line basis over the lease term or their useful lives, whichever is shorter. Right-of use assets are depreciated:

- Buildings and land mainly 2–30 years; and
- Machinery and equipment 3–5 years.

The amortisation and depreciation period and method of assets are assessed at the end of the reporting period. If the expected useful life of an asset differs from previous estimates, the amortisation and depreciation period is adjusted accordingly. If there has been a significant change in the expected timing of the economic benefits embodied in the asset, the amortisation and depreciation method is changed to reflect the changed situation.

The Group assesses at each reporting date whether there is any indication that an asset may be impaired, and recognises an impairment loss if necessary. An impairment loss recognised in prior periods is reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the most recent impairment loss was recognised.

EUR million	2024	2023
Intangible assets		
Amortisation	-48.6	-52.2
Impairment losses	-0.7	
Property, plant and equipment		
Depreciation	-39.5	-37.3
Impairment losses	-0.2	-0.6
Right-of-use assets		
Depreciation	-99.0	-95.0
Impairment losses	0.0	-0.8
Total amortasation, depreciation and impairment	**-188.0**	**-186.0**

4.5 Impairment testing

Book value of assets is tested annually or more frequently if there are indications of impairment. In impairment test, the carrying value of the group of cash-generating units has been compared to the recoverable amount of the cashgenerating units. The recoverable amount is calculated based on the discounted cash flow model (value-in-use). Need for impairment testing is considered at the level of individual cash-generating units (CGU), which is the lowest unit level mainly independent of other units and the cash flows of which are separable and independent of cash flows of other corresponding units.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in the income statement. An impairment loss recognised for an asset in prior years is reversed, if the revaluation shows an increase in the recoverable amount. However, the reversal of an impairment loss of an asset should not exceed the carrying amount of the asset without impairment loss recognition. For goodwill, a recognised impairment loss is not reversed under any circumstances.

Assumptions used in impairment testing

In the impairment testing of the Group's assets, the recoverable amounts of cash-generating units are determined on the basis of value in use. Cash flow projections are based on forecasts approved by the management which cover a period of five years. The preparation of calculations for the impairment testing requires estimates regarding the future which requires management judgement on the development of demand and supply, cost level, productivity and other uncertainties related to revenue and profitability. The discount rates reflect risk-free rates and other risk premiums which are derived from the market.

In impairment testing goodwill and trademarks with indefinite useful life are allocated to cash-generating units as shown in the table below, which are tracked by management and have their own budgets.

	2024		
EUR million	Goodwill	Trademarks with indefinite useful life	Other intangible assets with indefinite useful life
Healthcare services - Finland	1,131.2	265.0	
Social care services	511.2	68.9	
Healthcare international	199.2		7.0
Total	**1,841.6**	**333.9**	**7.0**

	2023		
EUR million	Goodwill	Trademarks with indefinite useful life	Other intangible assets with indefinite useful life
Healthcare services - Finland	1,076.6	265.0	
Social care services	500.9	68.9	
Healthcare international	162.5		3.1
Total	**1,740.1**	**333.9**	**3.1**

Impairment of the goodwill

In the impairment testing of the Group's assets, the recoverable amounts of cash-generating units are determined on the basis of value in use. Impairment tests have been carried out from the situation at the end of October. Cash flow projections are based on forecasts approved by the management. Cash flows beyond the forecast period approved by the management have been extrapolated at a constant growth factor of 1.0 per cent.

The key assumptions for impairment testing are the projected EBITDA%, the projected growth of revenue, the discount rate and the growth factor used in the post-forecast period extrapolation of cash flows. The projected EBITDA% and the growth of revenue are based on the latest forecasts approved by the management and its view of the market growth. Management views that these growth estimates reflect the long-term development of the business as forecast.

The discount rate used in the calculation is determined using the weighted average cost of capital taking into account risks associated with each asset. In five-year planning period used discount rates are presented in the enclosed table:

Discount rate before tax, %	2024	2023
Healthcare services - Finland	8.14	8.58
Social care services	7.82	8.53
Healthcare international	8.68	8.76

According to impairment testing, the recoverable amounts exceeded the carrying amount, and therefore no impairment recorded.

A sensitivity analysis was carried out for cash-generating units by changing each accounting assumption for the entire projection period as described below, other factors remaining constant. The table below shows the required change in a single assumption that would cause recoverable amount to decrease to be equal to its carrying amount.

Sensitivity analysis	Healthcare services - Finland	Social care services	Healthcare international
EBITDA-% change	-10.8%-points	-4.4%-points	-1.3%-points
WACC change	+12.3%-points	+3.5%-points	+1.3%-points
Growth factor change	-18.2%-points	-3.7%-points	-1.4%-points

5.1 Capital management
5.2 Equity
5.3 Financial risk management
5.4 Financial assets and liabilities
5.5 Finance income and expenses
5.6 Contingent liabilities and commitments

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

5. FINANCING AND CAPITAL STRUCTURE

5.1 Capital management

The equity shown in the consolidated balance sheet is managed as capital. The goal of capital management is to strive for a capital structure that enables the Group to ensure ordinary long-term and short-term operating conditions for its business. The most significant factors affecting the capital structure are the possible restructuring of the Group, acquisitions and investments, dividend policy and the profitability of the business. The development of the capital structure is monitored by the gearing ratio and by comparing interest-bearing net debt to EBITDA. No external capital requirements apply the Group.

5.2 Equity

The Group's equity consists of share capital, invested unrestricted equity fund, hedging reserve, currency translation difference, retained earnings and non-controlling interests.

The subscription price of the new shares is recognised in the invested unrestricted equity fund, unless, according to the share issue resolution, it is fully or partially subscribed to the share capital. Payments to the invested unrestricted equity fund can also be made without a share issue. Transaction costs directly attributable to the issue of new shares are recognised in equity, adjusted for tax effects.

The hedging reserve includes accumulated changes in the value of interest rate swaps in hedge accounting adjusted for deferred tax.

Currency translation differences arise from the translation of the equity of foreign operations ans the foreign operations' figures to be consolidated. The change in currency translation differences is presented in comprehensive income.

Dividends are recognised as a liability when the amount of dividend to be distributed has been approved by the Annual General Meeting.

	2024									
Shares / EUR million	No. of A-shares	No. of B-shares	No. of C-shares	No. of total shares	Share capital	Invested unrestricted equity fund	Hedging reserve	Currency translation difference	Retained earnings	Total
1 January	**48,145,503**	**917,483,726**	**19,259,841**	**984,889,070**	**0.0**	**971.6**		**-1.9**	**5.4**	**975.1**
Share issues						0.0				0.0
Redemption of shares	-7,686,800	-185,464,342	-13,504,898	-206,656,040		-452.8				-452.8
Transaction costs related directly to the issue of new shares, net of tax						0.0				0.0
Other changes								-2.1	38.9	36.7
31 December	**40,458,703**	**732,019,384**	**5,754,943**	**778,233,030**	**0.0**	**518.9**		**-4.0**	**44.3**	**559.1**

	2023									
Shares / EUR million	No. of A-shares	No. of B-shares	No. of C-shares	No. of total shares	Share capital	Invested unrestricted equity fund	Hedging reserve	Currency translation difference	Retained earnings	Total
1 January	**49,625,261**	**923,863,782**	**22,322,853**	**995,811,896**	**0.0**	**991.2**	**9.0**	**-2.2**	**-34.4**	**963.7**
Share issues	60,198	1,902,210		1,962,408		2.2				2.2
Redemption of shares	-1,539,956	-8,282,266	-3,063,012	-12,885,234		-21.8				-21.8
Transaction costs related directly to the issue of new shares, net of tax						0.0				0.0
Other changes							-9.0	0.3	39.8	31.1
31 December	**48,145,503**	**917,483,726**	**19,259,841**	**984,889,070**	**0.0**	**971.6**		**-1.9**	**5.4**	**975.1**

Mehiläinen Konserni Oy has 778,233,030 registered shares at the year end. The shares are divided to 40,458,703 A-shares, 732,019,384 B-shares and 5,754,943 C-shares. The shares are divided into classes that differ in accordance with the order of priority when distributing funds. In other respects, the company's shares provide equal rights in the company, in accordance with the Articles of Association. The Group has no valid stock option programmes. The share capital is 22,500 euros.

During the financial year, no decisions were made regarding share issues, and thus no new shares were issued.

During the financial year, Mehiläinen Konserni Oy acquired its own shares from private investors who have given up their holdings in the company. A total of 206,656,040 of the company's own shares have been repurchased, of which 7,686,800 are A-shares, 185,464,342 are B-shares and 13,504,898 C-shares. The consideration paid for the repurchase of own shares amounted to EUR 452.8 million for the year 2024. The relative share of the company's acquired and canceled own shares of all the company's shares at the end of the financial year has been approximately 21 percent, and the board of directors has decided with the decisions made on 30 July 2024 and 3 September 2024 to immediately cancel the own shares acquired by the company after they come into the company's possession.

Decisions related to share issues and the repurchase of own shares valid at the end of the financial year are described in the report of the Board of Directors and in the parent company's financial statements.

Related party is described more in Section 7.3.

5.3 Financial risk management

Risk management principles and process

Mehiläinen is exposed to various financial market risks, which are managed in accordance with the risk management measures and Treasury Policy approved by the Board of Directors. The main aim of Group’s finance function is to secure sufficient funding and to identify, measure and manage financial risks. The Group's financing is centralized to Mehiläinen Yhtymä Oy. The CFO of Mehiläinen is responsibility for the Group's financial risk management. The main financial risks include the interest rate risk, the liquidity and refinancing risk, and the credit risk.

Market risks

Interest rate risk

The Group is exposed to interest rate risk when changes in market interest rates and interest margins affect financial expenses, investment returns and the valuation of interest-bearing items. The most significant impact on the Group's interest rate risk is the loan arrangement. Mehiläinen syndicated loan agreements were signed in August 2018 and the loan package was restructured in May 2021 and again in April 2024 when e.g., the loan period was extended. In July 2024, an amendment and restatement deed was concluded, according to which the duration of the loans was further extended, the loan facility was increased by EUR 650 million and the revolving credit facility was increased by 50 million euros, the total facility being EUR 200 million after the increase. Mehiläinen's syndicated loan amount is EUR 1,750 (1,210) million and EUR 110 million of the loan facility is unutilised at the end of year 2024. The loans are genrally 3-month Eurobor reference rate besed and their basic margin is 4 per cent. The basic margin may increase or decrease depending on how Mehiläinen achieves its sustainability goals. Additionally, the basic margin may decrease if the first lien net leverage ration decreases below 4.75. In 2023, Mehiläinen reached its sustainability goals and the basic margin for 2024 was set to 3.525 percent. Due to the restructuring of the loans in April 2024, the interest margin increased to 4 percent. Mehiläinen also achieved its sustainability goals for 2024.

The three sustainability goals included in the loan package are:

1. To continuously improve the quality of care services for the elderly. This is measured with the Quality Index, developed by Mehiläinen, which consists of five areas: individual care and support, safety, own cozy home, sense of community and participation, as well as tasty and healthy food.
2. Very quick access to non-urgent care in public primary healthcare services provided by Mehiläinen. The indicator is the third available appointment (T3) within seven working days.
3. To reduce Mehiläinen's carbon dioxide emissions (being total carbon dioxide emissions of the Group calculated in accordance with the Scope 1, 2 and 3 guidance of the GHG Protocol Corporate Accounting and Reporting Standard) in relation to revenue from the 2022 level every year for the entire Group.

Mehiläinen has EUR 1,750 million syndicated loans out of which 70.9 per cent are hedged with interest rate derivatives. Interest rate hedging reduces the interest cash flow risk caused by changes in the reference interest rate of variable rate loans. From the end of September 2023 until the end of June 2025, the interest rate risk will be hedged with an interest rate CAP agreement of a nominal value of EUR 720 million. In July 2024, new interest rate CAP agreements were concluded which increased the hedging from the end of September 2024 until the end of June 2025 by EUR 520 million, with the total hedging amount rising to EUR 1,240 million euros. From the end of June 2025 until the end of December 2026, interest rate CAP agreement covers a total of EUR 1,302 million. The interest rate CAPs are not under hedge accounting. According to the interest rate CAP agreements, the interest rate CAP is 3.5%. The average interest rate of the Group's interest-bearing liabilities was, taking into account interest rate hedging, approximately 7.8%.

The Group has assessed the impact of the increase and decrease in market interest rates on the Group's interest expenses and result before taxes, other factors remaining unchanged. The loan amount and the interest rate in effect at the end of the financial year, interest rate CAP taken into account, an increase of one percentage point in the market interest rate would increase the Group's interest expenses by EUR 12.7 million per year. Depending on the leverage ration level, the margin of the Group's syndicated loans varies between 3.5–4.0% and the impact of the ESG measures on the margin is between -0.1–+0.1 percentage points depending on how the sustainability targets are achieved and if the sustainability compliance certificate is delivered (failure to deliver the certificate results in increased margin).

Liquidity and refinancing risk

In view of the Group's business operations and expansion objectives, it is important that the Group has, in addition to cash and cash equivalents, sufficient credit facilities to fund working capital requirements and acquisitions. The Group's liquidity is projected both in the medium and short term in order to anticipate financing needs. The Group's operating cash flow is positive and the Group's view is that there is no significant risk regarding the availability of financing.

At the reporting date, there were EUR 120.0 (147.3) million of cash and cash equivalents in the Group. Any cash and cash equivalents investments are made in interest-bearing, liquid and low risk instruments.

Mehiläinen's syndicated loans totalling to EUR 1,750 (1,210) million will fully mature in August 2031. Mehiläinen also has an undrawn loan facility of EUR 110 million. The syndicated loan agreement also includes revolving credit facilities of EUR 200 (150) million maturing in July 2029, of which EUR 25 million was allocated to bank guarantee facilities and to an overdraft facility. EUR 1.2 (2.2) million of the revolving credit facility allocated for the guarantee facilities was in use at the end of the financial year. Additionally, the Group has rental guarantees amounting to EUR 0.8 (0.5) million that are not allocated from the guarantee facilities.

Maturity of financial liabilities

	2024								
EUR million	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-6 years	6-7 years	More than 7 years	Total
Loans from financial institutions	126.8	122.1	123.7	121.4	122.4	121.8	1,822.4		2,560.6
Interest rate CAP payments	3.0	1.3							4.3
Finance lease liabilities	129.7	113.9	99.7	85.7	70.5	63.5	53.4	189.0	805.4
Hire purchase liabilities	0.7	0.3	0.2	0.1					1.2
Contingent considerations (acquisition related)	8.9	11.1	1.0	3.5					24.5
Trade payables	44.3								44.3
Unpaid private practitioners' services	44.5								44.5
Acquisition related purchase price liabilities	1.0								1.0
Contract liabilities	5.4								5.4
Other liabilities	0.5	0.1							0.6
Total	**364.7**	**248.7**	**224.7**	**210.7**	**192.9**	**185.2**	**1,875.8**	**189.0**	**3,491.8**

	2023								
EUR million	Less than 1 year	1-2 years	2-3 years	3-4 years	4-5 years	5-6 years	6-7 years	More than 7 years	Total
Loans from financial institutions	91.9	1,265.3							1,357.2
Interest rate CAP payments	1.5	0.6							2.1
Finance lease liabilities	120.8	110.0	94.3	81.8	69.7	56.1	49.8	183.0	765.6
Hire purchase liabilities	0.3	0.6	0.2						1.1
Contingent considerations (acquisition related)	2.6	2.7	1.8	0.1					7.1
Trade payables	48.1								33.5
Unpaid private practitioners' services	37.6								41.2
Acquisition related purchase price liabilities	2.1								2.1
Contract liabilities	12.2								6.1
Other liabilities	1.9	0.1							0.4
Total	**319.1**	**1,379.3**	**96.4**	**81.9**	**69.7**	**56.1**	**49.8**	**183.0**	**2,235.2**

The maturity of financial liabilities are presented on an undiscounted basis and the figures include capital repayments and interest payments for interest-bearing liabilities.

The Group's loan agreements do not include covenants if 40% or less of the revolving credit facility is allocated to loans. If this limit is exceeded, a First Lien Net Leverage Ratio covenant becomes effective. Covenat test will be made on Mehiläinen Yhtymä Oy Group level. The Group reports on the covenants to the financiers on a quarterly basis. If the covenant terms are breached, the financiers may require accelerated repayment of loans. Guarantees related to loans are described in note 5.6.

Credit risk

The Group's credit risk concerns mainly trade receivables related to business operations. The Group also has small amounts of loan receivables involving credit and counterparty risks. Credit loss risk regarding trade receivables is regarded low as wellbeig services counties, insurance companies and corporate customers buying services have a good credit rating which has been checked in advance in accordance with the Group's credit policy. The Group's sales do not concentrate on a small number of large customers; instead, receivables are diversified across among numerous individual customers. Services to private customers are mainly charged on a cash basis. The payment term of trade receivables is principally 7 to 30 days and the Group's policy is not to request collateral for trade receivables or other receivables. The services of external collection agencies are used in the collection process. In addition, at the end of financial year trade receivables have been sold to mitigate credit loss risk.

Trade receivables and contract assets

	2024		
EUR million	Gross value	Expected credit losses	Net value
Not past due	152.5	-0.1	152.4
1–30 days overdue	6.8	-0.1	6.7
31–60 days overdue	2.4	0.0	2.3
61–180 days overdue	2.7	-0.2	2.5
Over 180 days overdue	7.4	-6.2	1.2
Total	**171.8**	**-6.6**	**165.1**

	2023		
EUR million	Gross value	Expected credit losses	Net value
Not past due	106.3	-0.3	106.1
1–30 days overdue	14.6	-0.1	14.5
31–60 days overdue	2.8	0.0	2.8
61–180 days overdue	2.5	-0.2	2.3
Over 180 days overdue	7.1	-6.3	0.9
Total	**133.3**	**-6.8**	**126.5**

Currency risk

In addition to Finland, the group operates in Sweden, Estonia and Germany, as well as on a small scale in Hong Kong. Estonian and German businesses are denominated in euros. Although the Group has continued its expansion abroad during 2024, it can still be stated that it does not have a significant exchange rate risk related to its operations. The Group's external loans are denominated in euros.

5.4 Financial assets and liabilities

Fair value measurement

For many of the accounting principles and notes to the financial statements, it is necessary to determine fair values both for financial instruments and for other assets and liabilities. The fair value hierarchy is based on the information source used for the measurement of fair value.

- Level 1 – Fair values of financial instruments are based on quoted prices in active markets for identical assets and liabilities.
- Level 2 – Financial instruments are not subject to trading in active and liquid markets. The fair values of financial instruments can be determined based on quoted market prices and deduced valuation.
- Level 3 – Measurement of financial instruments is not based on verifiable market information, and information on other circumstances affecting the value of the instruments is not available or verifiable.

Financial assets

The Group's financial assets are classified as assets measured at amortised cost as well as assets recognised at fair value through profit or loss and at fair value through other comprehensive income in accordance with IFRS 9.

The classification of financial assets depends on operating model of Mehiläinen related to the controlling of financial assets and on the cash flows based on the contract on financial assets. Financial assets are classified at initial acquiring. All purchases and sales of financial assets are recognised on the trade date, being the date when the Group commits to purchase or sell the financial instrument. Financial assets are derecognised when the Group has lost the contractual right to the cash flows or when the Group has transferred a substantial portion of the risks and income to outside of the Group.

Financial assets recognised at fair value through profit or loss

Financial assets recognised at fair value through profit or loss include investments on equity instruments of companies outside of the Group. These financial instruments are measured at fair value, and all changes in fair value are recognised in the statement of income for the period in which they arise. The Group's investments in unlisted companies are minor and if the fair value can't be reliably estimated will the cost be viewed as an estimate for the fair value. Transaction costs related to financial assets at fair value through profit or loss are recognised in the statement of income in the period in which they occur.

Financial assets measured at amortised cost

Financial assets recognised at cost less accumulated amortisation include customary trade receivables and loan receivables of which contract-based cash flows are payments of capital and interest. Trade receivables and loan receivables are measured at amortized cost less any impairment losses. The impairment of trade receivables is estimated based on the expected credit losses over the term. The impairment of loan receivables is estimated based on the expected credit losses for the next 12 months or the expected credit losses over the term, if the credit loss risk has increased. Any impairment loss of trade receivables is recognised in the other operating expenses and any impairment loss of other financial assets is recognised in finance expenses. The transaction costs of financial assets recognised by amortised cost are included in their initial book values. Receivables are classified as non-current or current receivables based on their maturity dates.

The carrying amount of financial assets at amortised cost as well as cash and cash equivalents included in loan and other receivables are reasonable approximations of their fair values since the effect of discounting is not material considering the maturity of the receivables. See note 3.3 for additional information on current receivables.

		2024			
EUR million	Fair value hierarchy	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Carrying amount
Non-current financial assets	3	0.9			0.9
Unlisted shares	2		1.0		1.0
Rental security deposit accounts	2		0.0		0.0
Loan receivables	2		1.7		1.7
Contract assets	2		2.2		2.2
Receivable for net investment in the lease	2		2.6		2.6
Other non-current receivables					
Current financial assets	2		152.5		152.5
Trade receivables	2		0.0		0.0
Deposit guarantees	2		0.0		0.0
Loan receivables	3		3.5		3.5
Short-term other receivables	2		4.7		4.7
Cash and cash equivalents	2		120.0		120.0
Total non-current and current financial assets		**0.9**	**288.2**		**289.1**

		2023			
EUR million	Fair value hierarchy	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Carrying amount
Non-current financial assets					
Unlisted shares	3	0.5			0.5
Rental security deposit accounts	2		1.2		1.2
Loan receivables	2		0.0		0.0
Contract assets	2		1.0		1.0
Receivable for net investment in the lease	2		2.6		2.6
Other non-current receivables	2		0.3		0.3
Current financial assets					
Trade receivables	2		109.1		109.1
Deposit guarantees	2		0.0		0.0
Loan receivables	2		0.0		0.0
Short-term other receivables	2		4.2		4.2
Cash and cash equivalents	2		147.3		147.3
Total non-current and current financial assets		**0.5**	**265.7**		**266.2**

Financial liabilities

Financial liabilities are classified either as financial liabilities at fair value through profit or loss or as financial liabilities measured at amortised cost. Borrowings, purchases and sales of financial liabilities are recognised on the date when the related contract has been made. Financial liability or part of it is derecognised when the obligation specified in the contract is either discharged or cancelled or expires. Non-current liabilities refer to other financial liabilities that mature later than 12 months and current liabilities to liabilities that mature in less than 12 months.

Financial liabilities at fair value through profit or loss
Financial liabilities are recognised at fair value through profit or loss. Changes in their fair values and possible transaction costs are recognised in the statement of income in the period in which they occur. Financial liabilities recognised at fair value through profit or loss include contingent considerations arisen from acquisitions and interest rate CAP agreements not designated as a hedge (interest rate CAP agreements signed in October 2022 and in July 2024).

Financial liabilities measured at amortised cost
In Mehiläinen, financial liabilities measured at amortised cost include loans, lease liabilities, trade payables and other liabilities that meet the financial liability criteria. Loans are recognised initially at fair value net of transaction costs. Loans are subsequently carried at amortised cost; any difference between the proceeds (net of transaction costs) and the redemption value is recognised as finance expense over the loan period using the effective interest method.

Arrangement fees for loans are treated as transaction costs. Fees related to the establishment of revolving credit facilities are capitalised as an asset and amortised as finance expenses over the period of the facility to which they relate.

Derivatives used for hedging and hedge accounting
Mehiläinen uses interest rate CAP instruments for hedging against the interest risk related to a loan arrangement. The interest rate CAP instruments are not designated as hedges.

Mehiläinen applied hedge accounting and principles of general hedge accounting in accordance with IFRS 9 for the interest rate swap agreement that ended in 2023. By the principles, Mehiläinen needs to assure that the hedging relations are aligned with the Groups' risk management objectives and that the hedge objective and the derivative used for the hedging have an economic dependency between them. When assessing the efficiency of the hedge accounting Mehiläinen needs to assess the quality factors and future prospects effecting the hedging relationship, and based on the hedging, Mehiläinen will generate efficiency calculations.

The derivatives used for a hedging of a cash flow are recognised at fair value. The changes in fair values of derivatives are recognised in other comprehensive income for the part that is effective, and they are disclosed in hedging reserve in equity. Changes in fair value are transferred to profit or loss for the same periods as the hedged cash flows are affecting the result. Ineffective shares of derivatives are recognised immediately in profit or loss.

	2024				
EUR million	Fair value hierarchy	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Carrying amount
Non-current financial liabilities					
Contingent considerations (acquisition related)	3	14.0			14.0
Derivates not designated as hedges (interest rate CAP agreements)	2	1.5			1.5
Loans from financial institutions	3		1,736.7		1,736.7
Lease liabilities	2		535.7		535.7
Hire purchase liabilities	2		0.6		0.6
Non-current liabilities to others	3		0.1		0.1
Current financial liabilities					
Contingent considerations (acquisition related)	3	8.9			8.9
Derivates not designated as hedges (interest rate CAP agreements)	2	2.0			2.0
Loans from financial institutions	3		4.5		4.5
Lease liabilities	2		97.8		97.8
Hire purchase liabilities	2		0.6		0.6
Trade payables	2		44.3		44.3
Unpaid private practitioners' services	2		44.5		44.5
Acquisition related purchase price liabilities	3		1.3		1.3
Contract liabilities	2		5.4		5.4
Other liabilities	2		0.5		0.5
Total financial liabilities		**26.4**	**2,472.0**		**2,498.5**

	2023				
EUR million	Fair value hierarchy	Fair value through profit or loss	Amortised cost	Fair value through other comprehensive income	Carrying amount
Non-current financial liabilities					
Contingent considerations (acquisition related)	3	4.2			4.2
Derivates not designated as hedges (interest rate CAP agreements)	2	4.5			4.5
Loans from financial institutions	3		1,204.2		1,204.2
Lease liabilities	2		507.0		507.0
Hire purchase liabilities	2		0.8		0.8
Non-current liabilities to others	3		0.1		0.1
Current financial liabilities					
Contingent considerations (acquisition related)	3	2.6			2.6
Lease liabilities	2		89.8		89.8
Hire purchase liabilities	2		0.4		0.4
Trade payables	2		48.1		48.1
Unpaid private practitioners' services	2		37.6		37.6
Acquisition related purchase price liabilities	3		2.1		2.1
Contract liabilities	2		12.2		12.2
Other liabilities	2		1.9		1.9
Total financial liabilities		**11.2**	**1,904.3**		**1,915.5**

Reconciliation of interest-bearing debt

	2024				
EUR million	Loans from financial institutions	Derivatives	Lease liabilities	Hire purchase liabilities	Total
1 January	**1,204.2**	**4.5**	**596.9**	**1.2**	**1,806.8**
Cash flow - financing activities	535.7		-96.4	-0.7	438.6
Cash flow - investing activities				0.3	0.3
Business combinations	10.9		45.9		56.8
Change in fair value		-1.0	52.4		51.5
New contracts			36.9	0.5	37.3
Ended contracts			-2.3		-2.3
Transaction costs	-9.6				-9.6
31 December	**1,741.2**	**3.5**	**633.5**	**1.2**	**2,379.5**

	2023				
EUR million	Loans from financial institutions	Derivatives	Lease liabilities	Hire purchase liabilities	Total
1 January	**1,200.6**	**0.7**	**576.0**	**1.3**	**1,778.6**
Cash flow - financing activities	-3.6		-92.8	-0.5	-96.9
Cash flow - investing activities				0.2	0.2
Business combinations	3.6		15.1		18.7
Change in fair value		3.8	60.3		64.1
New contracts			39.6	0.4	40.1
Ended contracts			-1.4	-0.2	-1.6
Transaction costs	3.6				3.6
31 December	**1,204.2**	**4.5**	**596.9**	**1.2**	**1,806.8**

The Group's bank loans are included in Loans from financial institutions and they are variable rate loans which are mainly revalued every 3 months using the 3-month Euribor as a reference rate. Due to the shortness of the revaluation period, the nominal value of the loans is used as an estimate for their fair value. Nominal values of derivatives, see note 5.3.

Contingent considerations (acquisition related) are presented discounted and their valuation is based on the calculation method of the earn out specified in the asset or share purchase agreements and the management's estimate on the realization of the earn out. No interest is paid on liabilities arising from contingent considerations; for additional information on contingent considerations, see note 4.1.

Additional information regarding guarantees related to loans, see note 5.6.

5.5 Finance income and expenses

EUR million	2024	2023
Interest income from others	4.4	2.4
Other finance income	0.0	0.0
Derivatives not designated as hedges - realised income	1.8	0.8
Derivatives not designated as hedges - unrealised profit at fair value valuation	1.0	
Interest income, hedging		16.0
Total finance income	**7.2**	**19.2**
Interest expenses on loans from financial institutions	119.8	86.2
Interest expenses on lease liabilities	34.8	27.7
Foreign exchange differences	0.0	0,0
Other interest and finance expenses	8.8	2.8
Derivatives not designated as hedges - realised expense	4.2	1.1
Derivatives not designated as hedges - unrealised losses at fair value valuation		3.8
Interest expenses, hedging		4.8
Impairment and losses from sale	0.0	0.0
Total finance expenses	**167.6**	**126.2**
Total finance income and expenses	**-160.4**	**-107.0**

5.6 Contingent liabilities and commitments

According to IFRS16 exemption, only the lease agreements of short-term leases and low-value assets are presented as a contingent liabilities and commitments. In addition, the Group's leased premises are subject to variable consideration, which is not included in the IFRS 16 calculation. Contingent liabilities and commitments also include the already signed lease agreements that start in the upcoming years. When the premises are handed over to Mehiläinen, the lease is included in IFRS 16 and it is shown in the right-of-use assets and the lease liability, and at the same time is removed from the off-balance sheet contingent liabilities.

A contingent liability is an obligation that may arise as a result of past events and of which existence is only confirmed if an uncertain event outside the control of the Group materialises. An existing obligation which probably does not require the satisfaction of a payment obligation or the amount of which cannot be reliably determined, is also considered a contingent liability. Contingent liabilities are disclosed in the notes to the financial statements.

Non-cancellable minimum lease payments

Group as a lessee

EUR million	2024	2023
Within one year	14.2	12.8
Between two and five years	49.2	48.3
More than five years	50.9	45.8
Total	**114.4**	**106.9**

The Group has subleased individual premises which are not used by its businesses.

Other contingent liabilities and commitments

Guarantees given on behalf of the Company

EUR million	2024	2023
Business mortgages	21,476.0	16,276.0
Pledged bank accounts	4.3	2.3
Rental deposit accounts	1.0	1.2
Real estate mortgages	3.4	
Total	**21,484.7**	**16,279.5**

EUR 21,424.0 (16,276.0) million of the Group's business mortgages are collaterals in respect of Group's loan facilities. EUR 52.0 million of the Group's business mortgages are collaterals in respect of Group's securitisation. The table does not contain any pledged shares for subsidiaries as all of the pledged shares also include business mortgages. Additionally, part of Group's bank accounts are pledged as collaterals in respect of Group's loan facilities and the securitisation arrangement. Kiinteistö Oy Kuopion Rautaniementie 2 has given mortgage bonds worth a total of EUR 3.4 million as a security for its loan.

Other contingent liabilities

The Group is involved in a number of legal proceedings related to its normal business. They are not expected to have a material impact on the Group's result or financial position.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

6. GROUP STRUCTURE

6.1 Subsidiaries

The consolidated financial statements include the parent company Mehiläinen Konserni Oy and all its subsidiaries. Subsidiaries are entities controlled by the Group. The Group is deemed to control an entity when the Group is exposed or entitled to variable returns from its involvement with the entity and able to affect such returns through the exercise of its powers over the entity. If the Group does not hold the majority of the shares in the entity, it assesses all the circumstances through which such control may be gained in the absence of the majority of the votes. Such circumstances include contract-based arrangements between other holders of voting rights and the investor, other rights arising from other contract-based arrangements as well as the voting rights and potential voting rights of the investor.

The Group re-evaluates its control over an entity if the facts or actual circumstances show that any changes have taken place in one or more of the circumstances contributing to such control. A subsidiary is included in the consolidated financial statements as of the date when the Group obtains control, whereas divested entities are included up to the date when such control ceases to apply. The existence of potential voting rights that are currently exercisable have been considered when assessing whether the Group controls another entity or not.

Intra-group ownerships have been eliminated using the acquisition method. Acquisition cost is determined as the fair value of the assets transferred, equity instruments issued and liabilities assumed at the date of the transaction. All identifiable assets, assumed liabilities and contingent liabilities of the acquiree are measured at the fair value on the date of acquisition. Any contingent consideration (additional purchase price) is measured at fair value on the date of acquisition. It is classified either as a liability or equity. Contingent consideration classified as a liability is discounted and measured at fair value at the end of each reporting period, and the resulting gains or losses are recognised in profit or loss. Contingent considerations classified as equity are not re-measured. Acquisition-related costs are expensed as incurred. Any non-controlling interests in the acquired entity are measured either at fair value or at the proportionate share of non-controlling interests in the acquired entity's net identifiable assets. The principle applied in measurement is specified separately for each acquisition. Any goodwill arisen through business combinations is measured at the amount by which the consideration, the share of non-controlling interests in the acquired entity and the purchaser's previously held interest in the entity exceed the fair value of the net assets acquired. Any negative goodwill is recognised in profit or loss.

Profit or loss for the period attributable to the owners of the parent company and the non-controlling interests are presented on the consolidated statement of income. The comprehensive income for the period attributable to the owners of the parent company and the non-controlling interests is presented on the consolidated statement of comprehensive income. Profit and total comprehensive income are allocated to the parent company shareholders and non-controlling interests, even if the share of non-controlling interests were to turn negative. The share of equity held by non-controlling interests is presented in the consolidated statement of financial position under equity, separately from the equity of the owners of the parent company. Changes in the parent company's interests in the subsidiary not resulting in a loss of control are treated within equity. In phased acquisitions, any previously held interest is measured at fair value and any profit or loss arising from this is recognised in profit or loss. When the Group loses control in a subsidiary, the remaining investment is measured at fair value on the date of loss of control in the subsidiary and the difference is recognised in profit or loss.

One of the Group's subsidiaries, OmaPartners Oy, includes non-controlling interest held by owners who are entitled to dividends based on the amount of work they perform. Such dividends related to non-controlling interests are treated in the consolidated financial statements as employee benefits and liabilities. Consequently, no part of the company's financial results or equity in the financial statements is attributable to such owners.

Intra-group transactions, receivables and payables, income and expenses, internal distribution of profits and unrealised gains and losses are eliminated in the consolidated financial statements.

The income statements of the Group companies operating outside the euro zone have been translated into euros at the average rate of the financial year, and their balance sheets at the closing rate. The foreign exchange difference resulting from the use of different rates, and the translation differences arising from the elimination of the acquisition cost of subsidiaries outside the euro zone, are recognised in equity, and the changes are presented in other comprehensive income.

Where appropriate, the financial statements of subsidiaries have been amended to comply with the accounting principles applied by the Group.

In 2024, the consolidated financial statements include the parent company Mehiläinen Konserni Oy and the following subsidiaries:

Subsidiaries	Domicile	Ownership based on shares (%)	Share of voting rights (%)
Aurinkokulma Oy	Pori	100	100
Barnens Meliva Heden AB [1]	Gothenburg, Sweden	100	100
BeeHealthy Deutschland GmbH	Frankfurt am Main, Germany	100	100
BeeHealthy Oy	Helsinki	100	100
Bodymind Oy Kuntoutuspalvelut [2]	Tampere	100	100
Cevita Care AB [2]	Stockholm, Sweden	100	100
Cevitagruppen AB [2]	Stockholm, Sweden	100	100
CogniMed Oy [2]	Helsinki	100	100
Considra AB [2]	Nacka, Sweden	100	100
Dalberg Klinik GmbH	Fulda, Germany	100	100
DBI Vård & Hälsa AB [2]	Sollentuna, Sweden	100	100
Debora Oy	Helsinki	100	100
Desiker-Aurinkomäki Oy	Helsinki	100	100
Docrates Cancersjukhus AB [1]	Eskilstuna, Sweden	100	100
Docrates Oy [2]	Helsinki	100	100
Familar Oy	Helsinki	100	100
FrisQa Företagshälsa AB	Uppsala, Sweden	100	100
Fysios Mehiläinen Holding Oy [1]	Helsinki	100	100
Fysios Mehiläinen Oy [1]	Espoo	100	100
Gelenkzentrum Rhein-Main GmbH [2]	Frankfurt am Main, Germany	100	100
GZRM Gelenkzentrum Rhein-Main GmbH [2]	Wiesbaden, Germany	100	100
Harjun terveys oy	Lahti	51.0	51.0
Healthcare Staffing Solutions Oy	Helsinki	100	100
Healthcare Staffing Solutions Pte Ltd.	Singapore	100	100

Subsidiaries	Domicile	Ownership based on shares (%)	Share of voting rights (%)
Hoitokoti Poppeli Oy	Suonenjoki	100	100
Hoiva Mehiläinen Oy	Helsinki	100	100
Hoivakoti Auringonnousu Oy	Myrskylä	100	100
Hoivakoti Kultarusko Oy	Eura	100	100
Hoivakymppi Oy	Savonlinna	100	100
Hoivamme Länsi-Uusimaa Oy [2]	Helsinki	100	100
Hoivamme Maakunnat Oy [2]	Helsinki	100	100
Hoivamme Oy [2]	Helsinki	100	100
Hoivamme Satakunta Oy [2]	Pori	100	100
Huoltsikka Oy	Mikkeli	100	100
Hälsobarometern AB	Stockholm, Sweden	100	100
Itä-Suomen Hoitokodit Oy	Joensuu	100	100
Itä-Uudenmaan Palvelukoti Oy	Loviisa	100	100
Jatkopolut Oy	Kuopio	100	100
Kalasataman Asumispalvelut Oy	Helsinki	100	100
Kiikan Palvelukoti Oy	Sastamala	100	100
Kiinteistö Oy Kuopion Rautaniementie 2 [2]	Kuopio	100	100
Kiinteistö Oy Lappeenrannan Mestarintie 3 [1] [2]	Helsinki	100	100
Kotipalvelu Mehiläinen Oy	Helsinki	100	100
KOY Impivaarantie 15 [2]	Helsinki	100	100
Kuntoutus Korte Oy [2]	Kuopio	100	100
Lappeenrannan Palvelukoti Oy	Lappeenranta	100	100

1) Name or company form changed in 2024
2) Acquired in 2024. See note 4.1 for additional information on acquisitions.

Subsidiaries	Domicile	Ownership based on shares (%)	Share of voting rights (%)
Lastensuojelulaitos Eemeli Oy	Harjavalta	100	100
Lill-Jans Husläkarmottagning AB [2]	Stockholm, Sweden	100	100
Mainiokodit Hoiva Oy	Helsinki	100	100
Mediceum Klinik Landstuhl GmbH	Zweibrücken, Germany	100	100
Mehiläinen Arwola Oy	Akaa	100	100
Mehiläinen Ateriaali Oy	Helsinki	100	100
Mehiläinen Eesti OÜ	Tallinn, Estonia	100	100
Mehiläinen Hoivapalvelut Oy	Helsinki	100	100
Mehiläinen Kotihoito Oy	Helsinki	100	100
Mehiläinen Lapinjärvi Oy	Lapinjärvi	82.5	82.5
Mehiläinen Laskutus Oy	Helsinki	100	100
Mehiläinen Länsi-Pohja Oy	Kemi	100	100
Mehiläinen Oy	Helsinki	100	100
Mehiläinen Terveyspalvelut Oy	Helsinki	100	100
Mehiläinen Tutoris Oy	Helsinki	100	100
Mehiläinen Yhtiöt Oy	Helsinki	100	100
Mehiläinen Yhtymä Oy	Helsinki	100	100
Mehiläinen Ykköskoti Hermanninranta Oy	Rautalampi	100	100
Meliva AB	Stockholm, Sweden	100	100
Meliva AS [1]	Tallinn, Estonia	100	100
Meliva BUMM Skärholmen AB [1]	Botkyrka, Sweden	100	100
Meliva BUMM Sollentuna AB [1]	Solna, Sweden	100	100
Meliva BUMM Solna AB [1]	Stockholm, Sweden	100	100
Meliva Diagnostik MVZ GmbH [1] [2]	Frankfurt am Main, Germany	100	100
Meliva GmbH	Frankfurt am Main, Germany	100	100
Meliva MVZ Bayern GmbH [1] [2]	Frankfurt am Main, Germany	100	100

Subsidiaries	Domicile	Ownership based on shares (%)	Share of voting rights (%)
Meliva MVZ Westpfalz GmbH	Zweibrücken, Germany	100	100
Meliva Sverige AB	Uppsala, Sweden	100	100
Meliva VC Ekeby - Lindbacken AB [1]	Uppsala, Sweden	100	100
Meliva VC Liljeholmen - Jakobsberg AB [1]	Stockholm, Sweden	100	100
Meliva VC Vårberg - Haninge AB [1]	Stockholm, Sweden	100	100
Meliva Vårdcentral Aros AB [1]	Uppsala, Sweden	100	100
Meliva Vårdcentral Hornsberg AB [1]	Stockholm, Sweden	100	100
Meliva Vårdcentral Kungshörnet AB [1]	Uppsala, Sweden	100	100
Meliva Vårdcentral Landvetter AB	Härryda, Sweden	100	100
Meliva Vårdcentral Matteus AB [1]	Stockholm, Sweden	100	100
Meliva Vårdcentral Mörby AB [1]	Danderyd, Sweden	100	100
Meliva Vårdcentral Nynäshamn AB [1]	Nynäshamn, Sweden	100	100
Meliva Vårdcentral Sibyllekliniken AB [1]	Stockholm, Sweden	100	100
Meliva Vårdcentral Skärholmen AB [1]	Stockholm, Sweden	100	100
Meliva Vårdcentral Solna AB [1]	Solna, Sweden	100	100
Meliva Vårdcentral Söderdoktorn AB [1]	Stockholm, Sweden	100	100
Meliva Vårdcentral Tveta AB [1]	Södertälje, Sweden	100	100
Meliva Väst AB [1]	Gothenburg, Sweden	100	100
MVZ Dalberg Klinik Fulda GmbH	Fulda, Germany	100	100
MVZ International Rehab Westpfalz GmbH	Kaiserslautern, Germany	100	100
Märsta Läkarhus AB	Sigtuna, Sweden	100	100
Märsta Närvård AB	Sigtuna, Sweden	100	100
Nokian NeuroFysio Oy [2]	Nokia	100	100
OIVA Riihi Oy	Kuopio	100	100

1) Name or company form changed in 2024
2) Acquired in 2024. See note 4.1 for additional information on acquisitions.

Subsidiaries	Domicile	Ownership based on shares (%)	Share of voting rights (%)
Oma Kirjanpito Oy	Helsinki	100	100
OmaPartners Oy	Helsinki	8.5	64.9
Onnikoti Ravuri Oy [1]	Hollola	100	100
Ortodontiakeskus OÜ	Tallinn, Estonia	100	100
Palvelukoti Huvikumpu Oy	Riihimäki	100	100
Palvelutalo Kotiranta Oy	Huittinen	100	100
Pe3 Företagshälsa AB	Gothenburg, Sweden	100	100
Perhe- ja Palvelukodit Suomalainen Oy	Kuopio	100	100
Pienryhmäkoti Havumäki Oy	Mikkeli	100	100
Provesta Oy	Kempele	100	100
Puhti Lab Oy	Helsinki	100	100
Päivärinteen Timantti Oy	Muhos	100	100
Recare Oy	Merikarvia	100	100
Riekkomäen Palvelu Oy	Rauma	100	100
Rovaseudun Hoivapalvelut Oy	Rovaniemi	100	100
Saviston koti Oy	Kouvola	100	100
Simikaaren Perhekoti Oy	Ylivieska	100	100
SKHLM Vårdcentral AB [2]	Stockholm, Sweden	100	100
SM Amiprix Oy	Raahe	100	100
Sosiaalipalvelut Jussila Oy	Haapajärvi	100	100
Torpankartano Oy	Oulu	100	100
Tuusulan Kerttuli Oy	Tuusula	100	100
Ugglan Vårdgruppen AB	Gothenburg, Sweden	100	100
Vetrea Terveys Oy	Iisalmi	100	100
Viitasaaren Ruustinna Oy	Viitasaari	100	100
Vital Labs AB	Stockholm, Sweden	100	100
Ykkös- ja Onnikodit Oy	Helsinki	100	100

1) Name or company form changed in 2024
2) Acquired in 2024. See note 4.1 for additional information on acquisitions.

Subsidiaries merged in 2024:

Subsidiary	Domicile	Merger / Dissolved
Debora Group Oy	Helsinki	Merger
Dental Design OÜ	Tallinn, Estonia	Merger
Fysios Terapiapalvelut Oy	Helsinki	Merger
Haapajärven Kimppakoti Oy	Haapajärvi	Merger
Hoivamme Palvelukodit Oy [2]	Helsinki	Merger
Hoivamme PKS Oy [2]	Helsinki	Merger
HoivaPerho Oy [2]	Helsinki	Merger
Itä-Suomen Magneetti Oy [2]	Joensuu	Merger
Kastarin Pienryhmäkodit Oy	Hollola	Merger
Mehiläinen Julkiset Terveyspalvelut Oy	Helsinki	Merger
Mehiläinen Lääkäripalvelut Oy	Helsinki	Merger
Meliva Unimed OÜ	Tallinn, Estonia	Merger
Palvelukoti Eloranta Oy	Pielavesi	Merger
Perhekoti Jääskeläinen Oy	Hämeenlinna	Merger
Psykiatrikonsultaatiot Hilla Oy	Helsinki	Merger
Sosiaalipalvelut Leenala Oy	Haapajärvi	Merger

2) Acquired in 2024. See note 4.1 for additional information on acquisitions.

See note 7.3 for information on the related party and related party transactions.

6.2 Associated companies and joint arrangements

Up until the end of March 2024, the Group had one associated company, Laser-Porus Oy. Laser-Porus Oy is an eye laser centre operating within Mehiläinen Oulu, specializing in refractive surgery. The Group held 42.7% of the shares and voting rights until the divestment at the end of March 2024. The Group's share of total comprehensive income and the carrying amount of interest in associates on group balance sheet was not material.

Paid taxes

32.4

EUR million

7.1 Income taxes
7.2 Deferred tax assets and liabilities
7.3 Related parties and key management remuneration
7.4 Events after the balance sheet date

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

7. OTHER NOTES

7.1 Income taxes

The Group's income taxes include the Group companies' taxes based on taxable profit for the period, prior period tax adjustments and deferred taxes. The Group companies' taxes are calculated from the taxable profit of each company as determined by local tax legislation and based on the tax rates and tax laws enacted or in practise approved by the end of the reporting period. If the tax relates to items recognised in other comprehensive income or in equity, income tax is recognised in respect of those items.

Deferred tax is calculated from the temporary differences between the carrying amount of an asset or liability and their taxable values as well as any unused tax losses and net interest expenses. Deferred tax is calculated at the tax rates in effect on the date of the financial statements, and if the rates change, at the new rate enacted or approved, for all practical purposes, by such date.

Taxable income

Managerial judgement is used when the amount of income tax based on the taxable income earned by the Group is determined. Although the claims made in the Group companies' tax returns are well-founded, it is possible that the tax authorities do not accept some of the claims presented. In situations with uncertainty over income tax treatments the Group applies IFRIC 23 interpretation.

Mehiläinen works in enhanced customer relationship with the Finnish Tax Administration. The target is to have an up-to-date tax procedure, predictability and legal certainty of taxation, as well as more flexible and faster treatment of tax matters.

Taxes in the statement of income

EUR million	2024	2023
Current taxes	-33.1	-22.6
Deferred taxes	1.0	9.4
Total	**-32.1**	**-13.2**

	2023		
EUR million	Before tax	Tax	Net of tax
Cash flow hedging	-11.3	2.3	-9.0
Total	**-11.3**	**2.3**	**-9.0**

Reconciliation of the tax expense and taxes calculated at the tax rate of the parent company

EUR million	2024	2023
Profit before tax	**71.3**	**53.3**
Taxes at the tax rate of the parent company 20%	-14.3	-10.7
Effect of different tax rates on foreign subsidiaries	1.4	0.9
Effect of non-taxable income	0.6	0.1
Effect of non-deductible expenses	-18.2	-3.1
Other tax-deductible costs	0.9	1.0
Unrecognised taxes on losses during the period	-2.8	-3.5
Effect of tax loss and net interest expenses utilisation		-0.1
Change in previously unrecognised deferred taxes	0.8	1.9
Income taxes on retained earnings	-0.5	-0.1
Taxes from previous periods	-0.1	0.1
Other adjustments	0.1	0.1
Income taxes in the statement of income	**-32.1**	**-13.2**
Effective tax rate, %	45.0%	24.8%

The effective tax rate is increased by non-deductible net interest expenses, most of which can be utilised during later years to the extent permitted by law.

7.2 Deferred tax assets and liabilities

Deferred tax has been determined using the tax rates enacted at the balance sheet date, and as the rates changed, at the known new rate.

Deferred tax liabilities are recognised for all taxable temporary differences, unless the deferred tax liability arises from initial recognition of goodwill or from the initial recognition of certain assets and liabilities in a transaction which is not a business combination and affects neither accounting profit nor taxable profit.

A deferred tax asset is recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised. However, a deferred income tax asset is not recognised if it arises from the initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable income.

The Group reassesses unrecognised deferred tax assets at the end of each reporting period. It recognises a previously unrecognised deferred tax asset to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be utilised. Conversely, an allowance is made from a deferred tax asset if the related tax benefit is no longer deemed probable.

Tax receivables and liabilities related to the taxes for the period are offset when the Group has a legally enforceable right to offset the tax items and the Group intends either effect the tax payment on a net basis or realise the tax receivable and pay the tax liability simultaneously.

Deferred tax assets

The management uses its judgement in determining the deferred tax assets to be recognised in respect of tax losses and net interest expenses. The amounts of recognised deferred tax assets are based on the management's estimates and assumptions regarding the amount of future taxable income to be generated in respect of which losses and net interest expenses can be used. The calculations are based on the Group's five-year forecasts and on how profitability will develop in subsidiaries and how, for example, group contributions can be utilized. Actual results may differ significantly from estimates made at the time of preparation of the financial statements.

The IAS12 standard was amended during year for OECD BEPS Pillar II global minimum income taxes. The legislation is effective for the Group's financial year beginning 1 January 2024. Pillar II legislation has been enacted in jurisdictions where Mehiläinen Group has operations. These rules apply to Mehiläinen Group as its annual turnover has exceeded the threshold of EUR 750 million. Therefore The Group has applied this mandatory exception not to recognize any deferred taxes potentially arising from OECD BEPS Pillar II regulation.

Group has performed an assessment of the Group's potential exposure to Pillar II income taxes. This assessment has been based on the most recent available financial and taxation information. Based on this assessment the Group's effective tax rate is well above 15% in all jurisdictions in which it operates, so the Group does not expect to have any material risk to the exposure of Pillar II top-up taxes. The Group can apply Safe Harbor rules in all of jurisdictions where it operates.However, future development is dependent on possible changes in regulations, and this may also have an impact on Mehiläinen's income taxes.

EUR million	2024 1 January 2024	Business combinations	Recognised in the statement of income	Recognised in the statement of comprehensive income	Translation differences	31 December 2024
Deferred tax assets						
Leases	119.4		5.3		0.0	124.7
Tax loss carried forward	3.0	1.1	-0.3			3.8
Non-deductible net interest expense	2.4		-2.4			
Other items	3.4	3.1	-0.1			6.4
Total	**128.2**	**4.2**	**2.5**		**0.0**	**134.9**
Set-off of tax	-105.5	-2.8	-5.3		0.0	-113.7
Net tax assets	**22.7**	**1.4**	**-2.8**		**0.0**	**21.2**
Deferred tax liabilities						
Fair value allocations	93.2	8.5	-9.4		0.1	92.3
Leases	105.5		5.3		0.0	110.8
Accrual differences of financial expenses	1.3		2.4			3.7
Other items	10.6	0.1	3.1		0.0	13.8
Total	**210.6**	**8.6**	**1.4**	**0.0**	**0.1**	**220.6**
Set-off of tax	-105.5	-2.8	-5.3		0.0	-113.6
Net tax liabilities	**105.1**	**5.7**	**-3.9**		**0.0**	**107.0**
Net amount	**-82.4**	**-4.3**	**1.1**	**0.0**	**-0.1**	**-85.7**

The Group has EUR 19.0 (15,1) million tax loss carried forward, for which a deferred tax asset has been recognised. In 2024, the Group also had EUR 5.9 (5,3) million tax loss carried forward carried for which no deferred tax asset has been recognised. Tax loss carried forward fall due in 2024–2031. The amount of deferred tax assets not recognised for net interest expenses not deducted for tax purposes totaled EUR 31.6 (18,2) million. It is estimated that the recognised portion of the above-mentioned deferred tax assets will be utilised during the forecast period confirmed by management.

EUR million	2023 1 January 2023	Business combinations	Recognised in the statement of income	Recognised in the statement of comprehensive income	Translation differences	31 December 2023
Deferred tax assets						
Leases	115.2		4.2		0.0	119.4
Tax loss carried forward	2.8	0.0	0.2			3.0
Non-deductible net interest expense	1.7		0.8			2.4
Other items	3.0	0.1	0.2			3.4
Total	**122.7**	**0.2**	**5.3**		**0.0**	**128.2**
Set-off of tax	-102.1		-3.4		0.0	-105.5
Net tax assets	**20.6**	**0.2**	**1.9**		**0.0**	**22.7**
Deferred tax liabilities						
Fair value allocations	99.7	2.2	-8.7		0.0	93.2
Leases	102.1		3.4		0.0	105.5
Accrual differences of financial expenses	2.1		-0.7			1.3
Fair value of hedging	2.3			-2.3		
Other items	8.6	0.2	1.8		0.0	10.6
Total	**214.7**	**2.3**	**-4.2**	**-2.3**	**0.0**	**210.6**
Set-off of tax	-102.1		-3.4		0.0	-105.5
Net tax liabilities	**112.6**	**2.3**	**-7.6**	**-2.3**	**0.0**	**105.1**
Net amount	**-92.0**	**-2.1**	**9.6**	**-2.3**	**0.0**	**-82.4**

7.3 Related parties and key management remuneration

Belonging to a related parties requires the ability to exercise control or significant influence over the Group's financial and business decisions.

The parties that own directly or indirectly more than 20 per cent of Mehiläinen Konserni Oy are considered as related parties. On 31 December 2024 these companies were CVC Capital Partners funds that it controls.

Mehiläinen Konserni Oy's owners previously also included LocalTapiola Group, which was not however defined as a related party. In August 2024 Mehiläinen Konserni Oy executed a directed repurchase of its own shares from the LocalTapiola Group. After the share repurchase LocalTapiola Group's ownership in the company and its board representation at Mehiläinen ended. The shares acquired from the LocalTapiola Group were annulled after they were transferred to the company.

Related parties include the parent company Finnish Healthcare Services S.à r.l., including subsidiaries and associated companies. Considering the ownership structures, also Asclepios Holdings S.à r.l. is considered related party of the Group. The Group companies are listed in note 6.1.

The Group's related parties also include key management employees (the members of the Group company's Board of Directors, CEOs and members of extented Executive Committee), including their immediate family members and the entities over which they have control or joint control. Also the members of the Board of Directors of parent company, Finnish Healthcare Services S.à r.l,. and their immediate family members are considered as Group's related parties.

Related party transactions include transactions which are not eliminated during the preparation of the Group's consolidated financial statements.

Note 5.2 provides more detailed information on the company's own shares acquired from personal investors during the financial year. Transactions with related parties have been realised on normal market terms and conditions and at market prices. Mehiläinen has not had any other significant events with related parties other than management remuneration.

Additionally, Mehiläinen has loans from funds managed by CVC Credit Partners, which are not regarded as related parties. The terms of the loans are market-based and similar to loans from other creditors. Financing of Mehiläinen is described in note 5.

Top Management's (key personel) employee benefits

The top management consists of the Board of Directors of the Group, Group CEO and Executive Committee. The compensation they receive for their work is based on the following items:

	2024			
EUR million	Board of Directors	Group CEO	Executive Committee	Total
Salaries and other short-term employee benefits	0.5	1.3	5.7	7.5

	2023			
EUR million	Board of Directors	Group CEO	Executive Committee	Total
Salaries and other short-term employee benefits	0.2	0.8	5.0	6.0

Key management personnel salaries and other short-term employee benefits include Group's CEO salaries amounting to EUR 0.7 (0.6) million. In addition, the Group CEO performance bonus paid totalled EUR 0.6 (0.2) million. The CEO is a Board Member but was not paid a separate Board remuneration.

The Group CEO's period of notice is six months and the severance pay, on termination by the company, equals 12 months' salary. The retirement age corresponds to the Finnish employee pension plan.

7.4 Events after the balance sheet date

Humana Finland's 20 elderly care units became part of Mehiläinen through an acquisition signed on May 23, 2024. The acquisition included Humana Finland's 20 units located throughout Finland, most of them in Northern Finland. The revenue for the units in 2024 was EUR 36.4 million. The units have close to 500 resident places and employ over 700 professionals. The elderly care units became part of Mehiläinen's Mainiokodit, the mental health rehabilitation units for elderly became part of Mehiläinen's Ykköskodit, and the home care unit became part of Mehiläinen's home care services. The acquisition received conditional approval from the competition authority on December 20, 2024, and the acquisition was completed on February 3, 2025.

There were no other material events after the financial year.

PARENT COMPANY INCOME STATEMENT

EUR 1,000	Note	From 1 Jan. to 31 Dec. 2024	From 1 Jan. to 31 Dec. 2023
Revenue		**8.2**	**11.1**
Personnel expenses	2.1		
Wages and salaries		-2,030.0	-1,128.7
Social security expenses			
Pension costs		-275.2	-168.6
Other social security expenses		-21.7	-22.8
Total personnel expenses		**-2,326.9**	**-1,320.0**
Other operating expenses	2.2	-8,989.9	-1,779.4
Operating profit/loss		**-11,308.7**	**-3,088.4**
Finance income and expenses	2.3		
Interest and other finance income			
To others		201.8	47.4
Interest and other finance expenses			
To group companies		-1,401.8	-1,037.8
To others		-2.4	-60.6
Total finance income and expenses		**-1,202.4**	**-1,050.9**
Profit/loss before appropriations and taxes		**-12,511.1**	**-4,139.3**
Group contributions		6,000.0	4,400.0
Profit/loss before taxes		**-6,511.1**	**260.7**
Income taxes		-432.3	-333.4
Change in deferred taxes		82.8	83.8
Profit/loss for the year		**-6,860.6**	**11.1**

PARENT COMPANY BALANCE SHEET

EUR 1,000	Note	31 December 2024	31 December 2023
ASSETS			
Non-current assets			
Investments	3.1		
Investments in subsidiaries		520,738.4	1,002,238.4
Total non-current assets		**520,738.4**	**1,002,238.4**
Current assets			
Long-term receivables			
Receivables from group companies			
Loan receivables		6,000.0	4,400.0
Total receivables from Group companies		**6,000.0**	**4,400.0**
Deferred tax assets		166.6	83.8
Total long-term receivables		**6,166.6**	**4,483.8**
Short-term receivables			
Receivables from Group companies			
Other receivables		1,755.4	1,024.7
Total receivables from Group companies		**1,755.4**	**1,024.7**
Other receivables		850.8	302.5
Deferred assets		28.4	25.8
Total short-term receivables		**2,634.5**	**1,353.0**
Cash and cash equivalents		168.1	1,069.9
Total current assets		**8,969.3**	**6,906.7**
Total assets		**529,707.7**	**1,009,145.1**

EUR 1,000	Note	31 December 2024	31 December 2023
EQUITY AND LIABILITIES			
Equity	3.2		
Share capital		22.5	22.5
Invested unrestricted equity reserve		519,697.9	972,449.3
Retained earnings		10,855.7	10,844.6
Profit/loss for the year		-6,860.6	11.1
Total equity		**523,715.5**	**983,327.5**
Liabilities			
Non-current liabilities			
Liabilities to group companies		1,600.0	22,180.0
Total non-current liabilities		**1,600.0**	**22,180.0**
Current liabilities			
Trade payables		2,173.4	2,048.9
Liabilities to Group companies			
Trade payables		0.1	0.1
Accrued expenses		19.1	
Total liabilities to Group companies		**19.2**	**0.1**
Other liabilities		47.3	139.1
Accrued expenses		2,152.2	1,449.6
Total current liabilities		**4,392.2**	**3,637.6**
Total liabilities		**5,992.2**	**25,817.6**
Total equity and liabilities		**529,707.7**	**1,009,145.1**

PARENT COMPANY STATEMENT OF CASH FLOWS

EUR 1,000	From 1 Jan. to 31 Dec. 2024	From 1 Jan. to 31 Dec. 2023
Cash flow from operating activities		
Profit/loss for the year	-6,860.6	11.1
Adjustments		
Taxes	349.5	-83.8
Finance income and expenses	1,202.4	1,050.9
Other adjusments	-6,690.9	-3.2
Changes in working capital		
Change in trade and other receivables	-1,281.5	-1,292.9
Change in trade and other payables	1,026.8	2,409.3
Interest received		47.4
Interests paid	-2.2	-1,037.8
Taxes paid	-704.5	-18.6
Cash flow from operating activities	**-12,961.1**	**1,082.4**
Cash flow from investing activities		
Repayment of capital	481,500.0	
Loan receivables		-4,400.0
Repayment of loans	4,400.0	
Cash flow from investing activities	**485,900.0**	**-4,400.0**

EUR 1,000	From 1 Jan. to 31 Dec. 2024	From 1 Jan. to 31 Dec. 2023
Cash flow from financing activities		
Share issues		2,214.0
Redemption of shares	-446,060.5	-21,764.3
Share issues expenses	-0.2	-72.2
Proceeds from loans	6,630.0	22,180.0
Repayment of loans	-27,210.0	
Interests paid	-1,401.8	
Loans related to Group contributions granted to Group companies	-6,000.0	
Interest received	201.8	
Group contributions		450.0
Cash flow from financing activities	**-473,840.7**	**3,007.5**
Change in cash and cash equivalents	-901.8	-310.1
Cash and cash equivalents at 1 Jan.	1,069.9	1,380.0
Cash and cash equivalents at 31 Dec.	**168.1**	**1,069.9**

NOTES TO THE PARENT COMPANY FINANCIAL STATEMENTS

1. Accounting principles

The financial statements of the parent company have been prepared in accordance with the Finnish accounting standards (FAS).

Revenue

Revenue consists of financial management and administrative services provided by the parent company to the subsidiaries.

Investments

Investments in subsidiaries are measured on acquisition cost less possible impairment losses.

Financial expenses

The expenses related to the company's share issues have been accounted for in the statement of income.

Deferred taxes

The deferred tax assets recognized in the balance sheet has been calculated for the temporary differences between the tax and the financial statements using the tax rate for subsequent years as established at the balance sheet date. In accordance with the principle of prudence, deferred tax assets are recognized at the amount of the expected tax benefit.

2. Group information

Mehiläinen Konserni Oy is the parent company in the Mehiläinen Konserni Group. Mehiläinen Konserni Oy is domiciled in Helsinki. The copies of the consolidated financial statements of Mehiläinen Konserni Oy are available at the headquarters at Arkadiankatu 6, 00100 Helsinki. The parent company of the Mehiläinen Konserni Oy is Finnish Healthcare Services S.à.r.l., domiciled in Luxembourg.

2.1 Personnel expenses

	2024	2023
Average number of personnel	5	3

Remuneration for the members of the Board of Directors is announced in Group's Note 7.3.

2.2 Other operating expenses

EUR 1,000	2024	2023
Consultant and professional fees	8,645.7	1,547.3
Administration costs	286.5	146.2
Other expenses	57.7	86.0
Total	**8,989.9**	**1,779.4**

Auditor's fees

EUR 1,000	2024	2023
Ernst & Young Oy		
Audit fees	46.1	54.4
Tax advisory	173.1	18.3
Other fees	6,201.6	1,196.4
Total	**6,420.7**	**1,269.1**

2.3 Financial income and expenses

EUR 1,000	2024	2023
Interest income from others	201.8	47.4
Interest expenses to Group companies	-1,401.8	-1,037.8
Interest expenses to others	-2.2	0.0
Share issues expenses	-0.2	-60.5
Total	**-1,202.4**	**-1,050.9**

3.1 Investments

Investments in subsidiaries

EUR 1,000	2024	2023
Acquisition costs at 1 January	1,002,238.4	1,002,238.4
Desposals	-481,500.0	
Acquisition costs at 31 December	520,738.4	1,002,238.4
Book value at 31 December	**520,738.4**	**1,002,238.4**

Subsidiaries (direct ownership)	Domicile	Ownership %
Mehiläinen Yhtymä Oy	Helsinki	100
Mehiläinen Yhtiöt Oy	Helsinki	3

3.2 Equity

Mehiläinen Konserni Oy has 778,233,030 registered shares at the year end. The shares are divided to 40,458,703 A-shares, 732,019,384 B-shares and 5,754,943 C-shares. The shares are divided into classes that differ in accordance with the order of priority when distributing funds. In other respects, the company's shares provide equal rights in the company, in accordance with the Articles of Association. The Group has no valid stock option programmes. The share capital is 22,500 euros.

During the financial year, no decisions were made regarding share issues, and thus no new shares were issued.

During the financial year, Mehiläinen Konserni Oy acquired its own shares from private investors who have given up their holdings in the company. A total of 206,656,040 of the company's own shares have been repurchased, of which 7,686,800 are A-shares, 185,464,342 are B-shares and 13,504,898 C-shares. The consideration paid for the repurchase of own shares amounted to EUR 452.8 million for the year 2024. The relative share of the company's acquired and canceled own shares of all the company's shares at the end of the financial year has been approximately 21 percent, and the board of directors has decided with the decisions made on 30 July 2024 and 3 September 2024 to immediately cancel the own shares acquired by the company after they come into the company's possession.

Decisions related to share issues and repurchase of own shares valid at the end of the financial year:

- On 17 February 2022, the company's shareholders have authorised the Board of Directors to decide on the share issue. A maximum of 53,230,234 shares, including a maximum of 877,540 A-shares and a maximum of 52,352,694 B-shares, can be issued under the authorisation. Pursuant to the authorisation, at the end of the financial year, 686,615 A-series shares and 40,021,044 B-series shares remain unissued.
- On 18 March 2024, the company's shareholders have authorised the Board of Directors to decide on the repurchase of own shares. Pursuant to the authorisation, a maximum of 13,200,000 shares may be repurchased, of which a maximum of 1,700,000 A-shares, a maximum of 10,000,000 B-shares and a maximum of 1,500,000 C-shares. No shares have been repurchased under the authorization.
- On 30 July 2024, the company's shareholders have authorised the Board of Directors to decide on the repurchase of own shares. Pursuant to the authorisation, a maximum of 100,000,000 shares may be repurchased, of which a maximum of 50,000,000 B-shares and a maximum of 50,000,000 C-shares. Pursuant to the authorisation, at the end of the financial year, 49,018,899 B-series shares and 36,495,102 C-series shares can be still repurchased.

	2024							
EUR 1,000 / Shares	No. of A-series shares	No. of B-series shares	No. of C-series shares	No. of total shares	Share Capital	Invested unrestricted equity reserve	Retained earnings	Total
Book value, 1 January	**48,145,503**	**917,483,726**	**19,259,841**	**984,889,070**	**22.5**	**972,449.3**	**10,855.7**	**983,327.5**
Redemption of shares	-7,686,800	-185,464,342	-13,504,898	-206,656,040		-452,751.4		-452,751.4
Loss for the year							-6,860.6	-6,860.6
Book value, 31 December	**40,458,703**	**732,019,384**	**5,754,943**	**778,233,030**	**22.5**	**519,697.9**	**3,995.1**	**523,715.5**

	2023							
EUR 1,000 / Shares	No. of A-series shares	No. of B-series shares	No. of C-series shares	No. of total shares	Share Capital	Invested unrestricted equity reserve	Retained earnings	Total
Book value, 1 January	**49,625,261**	**923,863,782**	**22,322,853**	**995,811,896**	**22.5**	**992,347.8**	**10,844.6**	**1,003,214.9**
Share issues	60,198	1,902,210		1,962,408		2,214.0		2,214.0
Redemption of shares	-1,539,956	-8,282,266	-3,063,012	-12,885,234		-22,112.5		-22,112.5
Profit for the year							11.1	11.1
Book value, 31 December	**48,145,503**	**917,483,726**	**19,259,841**	**984,889,070**	**22.5**	**972,449.3**	**10,855.7**	**983,327.5**

Statement of distributable equity

EUR 1,000	2024	2023
Retained earnings 1 January	**10,855.7**	**10,844.6**
Invested unrestricted equity reserve	519,697.9	972,449.3
Result for the year	-6,860.6	11.1
Total	**523,693.0**	**983,305.0**

4. Contingent liabilities and commitments

EUR 1,000	31 December 2024	31 December 2023
Pledged subsidiary shares	20,358.0	33,474.4

Pledged subsidiary shares are collaterals in respect of Mehiläinen Yhtymä Group's loan facilities.

5. Significant events after the end of the financial year

There were no material events after the financial year.

SIGNATURES FOR THE REPORT OF BOARD OF DIRECTORS AND THE FINANCIAL STATEMENTS

Helsinki, 4 February 2025

Andreas Tallberg
Chair of the Board of Directors

Lave Beck-Friis
Member of the Board of Directors

Tomas Ekman
Member of the Board of Directors

Eveliina Huurre
Member of the Board of Directors

Janne-Olli Järvenpää
Member of the Board of Directors, CEO

THE AUDITOR'S NOTE

A report on the audit performed has been issued today.

Helsinki, 4 February 2025

Ernst & Young Oy
Authorized Public Accountant Firm

Mikko Rytilahti
Authorized Public Accountant

AUDITOR'S REPORT (Translation of the Finnish original)

To the Annual General Meeting of Mehiläinen Konserni Oy

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Mehiläinen Konserni Oy (business identity code 2915284-1) for the year ended 31 December, 2024. The financial statements comprise the consolidated balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information, as well as the parent company's balance sheet, income statement, statement of cash flows and notes.

In our opinion

- The consolidated financial statements give a true and fair view of the group's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU.
- The financial statements give a true and fair view of the parent company's financial performance and financial position in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report.

We are independent of the parent company and of the group companies in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU, and of financial statements that give a true and fair view in accordance with the laws and regulations governing the preparation of financial statements in Finland and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the parent company's and the group's ability to continue as going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the parent company or the group or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance on whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the parent company's or the group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the parent company's or the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Other information

The Board of Directors and the Managing Director are responsible for the other information. The other information that we have obtained prior to the date of this auditor's report is the report of the Board of Directors.

Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. With respect to the report of the Board of Directors, our responsibility also includes considering whether the report of the Board of Directors has been prepared in compliance with the applicable provisions.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in compliance with the applicable provisions.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditor's report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Helsinki 4.2.2025

Ernst & Young Oy
Authorized Public Accountant Firm

Mikko Rytilahti
Authorized Public Accountant

Arkadiankatu 6
00100 Helsinki, Finland
mehilainen.fi/en